

DEPARTMENT OF INDUSTRIAL RELATIONS

Division of Administration

Contracts Unit

455 Golden Gate Avenue, 9th Floor

San Francisco, CA 94102

P. O. Box 420603
San Francisco, CA 94142Telephone #: (415) 703-4911
Fax #: (415) 703-2009**REQUEST FOR PROPOSAL- Primary
Notice to Prospective Proposers**

January 30, 2009

You are invited to review and respond to this Request for Proposal - Primary (RFP), entitled **"Evaluation of the Effectiveness of California's Injury and Illness Prevention Program and Compliance Officers' Inspections"** DIR/CHSWC RFP # 08-001. In submitting your proposal, you must comply with these instructions.

Note that all agreements entered into with the State of California will include by reference General Terms and Conditions and Contractor Certification Clauses that may be viewed and downloaded at Internet site www.ols.dgs.ca.gov/ standard+language. If you do not have Internet access, a hard copy can be provided by contacting the person listed below.

In the opinion of the Department of Industrial Relations, this RFP is complete and without need of explanation. However, if you have questions, or should you need any clarifying information, the contact person for this RFP is:

Bill Lew
Contracts Analyst
Department of Industrial Relations
455 Golden Gate Avenue, 9th Floor
San Francisco, CA 94102
Tel: 415-703-4911 Fax: 415-703-2009

Or

Aurora Tison, Contracts Manager
Tel: 415-703-4912 Fax 415-703-2009

Please note that no *verbal* information given will be binding upon the State unless such information is issued in writing as an official addendum.

A handwritten signature in cursive script, appearing to read 'Aurora Tison'.

Aurora Tison
Contracts Manager

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* If applicable.

**These documents are not required with the Proposal package but are required upon award of the contract.

A) Purpose and Description of Services

At the request of the Commission on Health and Safety and Workers' Compensation (CHSWC), its staff held a Health and Safety Research Advisory Committee meeting on November 19, 2007, in Oakland, to identify key health and safety areas where further research and study could help improve workplace health and safety in California. The Advisory Committee included stakeholders in the health, safety and workers' compensation communities representing insured and self-insured employers, labor, health and safety researchers and state agencies.

One of the recommendations of the Health and Safety Research Advisory Committee was to rigorously identify the consequences of different regulators' policies and practices with respect to job safety and health standards and enforcement through worksite inspections.

Little is currently known about the effectiveness of OSHA's injury and illness prevention program (IIPP) standard and whether some compliance officers are especially good at reducing workplace injury and illness rates.

The purpose of the RFP is to conduct research that addresses the above recommendation with respect to the effectiveness of the IIPP standard and compliance officers' inspections at reducing injury and illness rates. The research can help to improve the ability of occupational health and safety agencies to prevent injuries, potentially preventing a significant number of injuries and illnesses.

Of particular importance in this research will be the response to the following:

- What is the effect of the adoption and enforcement of the IIPP regulations?
- Which of the elements of the IIPP standard may be most effective?
- Controlling for other factors that affect inspection outcomes, how do the reductions in injury and illness rates vary depending on the particular compliance officer who carries out the inspection?
- What characteristics of the more successful compliance officers and their inspection activities distinguish them from other compliance officers?
- What are the policy implications for the selection, training, and incentives for compliance officers?

Background

The Cal/OSHA Program is responsible for enforcing California laws and regulations pertaining to workplace health and safety and for providing assistance to employers and workers about workplace safety and health issues.

The Cal/OSHA Enforcement Unit conducts inspections of California workplaces based on worker complaints, accident reports and high hazard industries. There are 22 Cal/OSHA Enforcement Unit district offices located throughout the State of California. Inspections are conducted by Cal/OSHA safety engineers and industrial hygienists from district offices throughout California. Complaint, referral and accident inspections, as well as scheduled (programmed) compliance inspections, are conducted by the district offices. In Fiscal Year 2006-07, 9,039 inspections were conducted.

There is no research currently on whether some compliance officers are more effective than others at reducing workplace injuries and illness rates. There is some information from earlier studies that suggests that there may be important variations in the effectiveness of inspections that depend on who conducts them or how they are conducted. Gray and Mendeloff (2005) found that health inspections were more effective than safety inspections in preventing injuries. This unexpected finding may reflect that health inspections involve more time on-site than safety inspections do and thus give the compliance officer more time to observe the workplace and that health inspections are conducted by industrial hygienists, who have more professional training. A study by Huber (2007) found that the number of violations cited was smaller for inexperienced compliance officers, although the effect was not statistically significant.

The most recent study (Haviland et al. 2008) of the impact of inspections on injury and illness rates, covering the years from 1999 through 2006 in Pennsylvania, estimated that the average effect in manufacturing was approximately a 20% reduction in the rate of lost-time injuries over the two years after the year of the inspection. This reduction was seen, however, only when the inspection levied penalties, an outcome that generally accompanies citations for serious violations. A majority of inspections did levy penalties.

As part of the inspection process, inspectors review employers' compliance with required programs such as the IIPP. The requirement of the IIPP program is specified in Title 8 CCR Section 3203 of the General Industry Safety Orders which took effect in July 1991. The regulations required all employers in California to establish an Injury and Illness Prevention Program (IIPP). Having an IIPP is considered the first step towards creating a system for identifying, correcting, and preventing workplace safety and health hazards. Section 3203 has been the most frequently cited standard in general industry in California ever since it was promulgated.

Other Labor code sections and regulations address specific industrial safety and health hazards and prevention requirements by type of workplace, type of equipment, environmental contexts and industry sectors. The Division of Occupational Safety and Health (DOSH) enforces the laws on IIPPs and safety standards through various means, including inspections and citations. Data on occupational injuries and illnesses can be used to measure or test the impact of safety and health standards, including enforcement efforts.

California is one of several states that has adopted a standard mandating that firms establish safety and health programs. These programs generally include measures to identify risks, investigate the causes of injuries that occur, provide appropriate training, and communicate with employees about the risks they face. In 1998, federal OSHA took initial steps to promulgate a federal standard, but stopped short. A recent review by

RAND¹¹ found an absence of good evidence about the effectiveness of these safety and health program mandates.

Objective and Scope of the Study

The purpose of this study is to identify:

- What is the effect of the adoption and enforcement of the IIPP regulations?
- Which of the elements of the IIPP standard may be most effective?
- Do firms that comply with Section 3203 have lower injury and illness rates (and better experience modification factors) than similar firms which do not?
- Does compliance with Section 3203 lead to a reduction in injury and illness rates?
- Which provisions, if any, of Section 3203 are most closely associated with reductions in injury rates? The rule includes 7 substantive provisions, each of which can be cited separately.
- Is there any relation between the stringency of enforcement of Section 3203 and reductions in injury rates?
- Controlling for other factors that affect inspection outcomes, how do the reductions in injury and illness rates vary depending on the particular compliance officer who carries out the inspection?
- What characteristics of the more successful compliance officers and their inspection activities distinguish them from other compliance officers?
- What are the policy implications for the selection, training, and incentives for compliance officers?

Work Approach

The contractor shall submit a detailed description of methodologies to address the RFP.

In addition as determined in the course of the study, the contractor shall develop or confirm that ongoing measurements are sufficient.

Deliverables

1. The contractor shall provide monthly written progress reports, beginning in July 6, 2009, on the fifth working day of the month, until completion of the project, a draft study report on or before October 5, 2010, and a final study report on or before December 4, 2010, and presentations completed on or before February 4, 2011.

The progress reports are to address the progress made, findings to date, problems encountered by the contractor, and a comparison of estimated versus actual project costs to date, by task. Deviation of more than ten percent (10%) from projected costs must be requested in advance by the contractor. Deviations exceeding ten percent (10%) that were not approved in advance may result in contractual non-compliance measures being taken. Only internal budgetary adjustments will be permitted; the total cost cannot exceed the cost specified in the contract.

¹¹ Tom LaTourrette and John Mendeloff, "Mandatory Workplace Safety and Health Programs," RAND Technical Report 604 (2008).

The monthly progress reports are designed to provide a formal vehicle for written communication from the contractor to CHSWC prior to the issuance of the final report. They will be superseded in their entirety upon issuance of the final report. Ten copies of all reports should be forwarded to:

Christine Baker, Executive Officer
Commission on Health and Safety and Workers' Compensation
Department of Industrial Relations
1515 Clay Street, Room 901
Oakland, California 94612

2. In addition to the written reports required, the contractor will be required to provide monthly oral briefings to Christine Baker, Executive Officer of the Commission on Health and Safety and Workers' Compensation or her designee(s), commencing after the third week of work.
3. After the issuance of the final study report, the contractor should allow adequate time to formally present final findings and recommendations to CHSWC, and to the Legislature as requested, not to exceed 5 presentations.

The final study report must include, at minimum, detailed information on the topics discussed under Objective and Scope of the Study and in Work Approach.

Payment

In consideration of the above services rendering in an acceptable manner, the State should pay the contractor in arrears based upon invoices submitted to the State by the Contractor.

Monitoring of Contract Performance

1. Christine Baker, Executive Officer of the Commission on Health and Safety and Workers' Compensation (or her designees) is designated the Departmental Project Coordinator. The Project Coordinator will have the overall joint responsibility to monitor and evaluate the performance of the Contractor in conducting the study of the effectiveness of California's IIPP and compliance officers' inspections for CHSWC under this agreement.
2. The Project Coordinator will review all reports for technical quality and compliance with the contract terms. Specifications for revisions necessary to remove discrepancies will be set forth by the Project Coordinator in writing and are binding on the contractor insofar as the specifications do not exceed the scope of the work required in the contract. The contractor must revise and deliver to the Project Coordinator within fifteen (15) working days any product deemed unacceptable by the Project Coordinator.
3. Any product submitted a second time and found unacceptable by the Project Coordinator will be rejected and either: (1) the cost of revising the product to make it acceptable to the Project Coordinator will be absorbed by the contractor; (2) the cost of work not satisfactorily performed will be withheld; or (3) the contract will be canceled for non-performance. A total of ten percent (10%) of the total contract amount will be withheld pending submission and acceptance of the final report. This amount will be paid within 30 days of report submission upon receipt of an appropriate invoice, unless written notification of non-compliance is provided by the Project Coordinator.
4. Any information developed for the purposes of this evaluation should remain in the public domain. However, there should be no individually identifiable information in the results of this study. The contractor is required to obtain prior approval from the

Project Coordinator before changing project management personnel or professional/technical staff members. The qualifications of proposed staff replacements must be reviewed and approved by the Project Coordinator prior to the assignment.

5. Minimum Qualifications for Proposers

Respondent's qualifications, including past experience in conducting studies and knowledge of health and safety and workers' compensation, experience measurement and evaluation of the impact of occupational safety and health inspections and regulations on injury rates will be evaluated. All pertinent information in this regard should be provided as part of the "Related Experience and References" portion of Section C. 5).2. Content of Written Proposal. The contractor for this evaluation should have the following characteristics:

- An established reputation for independent, nonpartisan, empirical research and analysis of the highest quality.
- Demonstrated breadth of experience conducting research and analysis on safety and workers' compensation, and measurement and evaluation issues.
- Experience conducting or evaluating safety and health inspections, policies and regulations on injury and illness rates.
- Knowledge of California's occupational safety and health system, policies and regulations, in particular the IIPP standard.
- Experience conducting studies related to or evaluating the impact of occupational health and safety inspections, policies and regulations on injury rates and evaluation strategies research.
- Demonstrated ability to communicate analytic findings in useful forms to policymakers, business decision-makers, and the general public.
- Demonstrated record of doing research in health and safety and the workers' compensation industry.
- Experience conducting or evaluating safety and health and workers' compensation statistics and evaluation strategies research.
- Ability to work with secure and confidential data.
- Ability to work with and conduct analysis on state and government agencies data, such as data from the OSHA IMIS and the Workers' Compensation Insurance Rating Bureau (WCIRB).
- Ability to work with confidential data that would meet the confidentiality requirements for the release of data by state and government agencies and private organizations.
- Provision of at least 3 references of studies of same/similar size and scope.

6. Proposal Requirements and Information

1) Key Action Dates

<u>Event</u>	<u>Date</u>	<u>Time</u>
RFP available to prospective proposers	January 30, 2009	_____
Written Question Submittal Deadline	February 23, 2009	2:00 pm
Answers to Written Questions	March 2, 2009	_____
Pre-proposal Conference (attendance optional)	March 9, 2009	10:00am
Final Date for Proposal Submission	March 20, 2009	2:00pm
Oral Presentation (mandatory)	March 26, 2009	_____
Cost Proposal Opening	March 30, 2009	2:00pm
Notice of Intent to Award	April 1, 2009	_____
Last Day to Protest Award	April 7, 2009	_____
Proposed Award Date	April 8, 2009	_____
Proposed Start Date of Contract	May 6, 2009	_____

2) Optional/Mandatory

- a) An optional conference for prospective bidders is scheduled on March 9, 2009, at 10:00 am at CHSWC, 1515 Clay Street, Room 901, Oakland, CA 94612. The purpose of the Bidders' Conference is to provide potential consultants an opportunity to obtain clarification of the intent or content of this RFP.
- b) In the event a potential proposer is unable to attend the mandatory pre-proposal conference, an authorized representative may attend in their behalf. The representative may only sign-in for one (1) company.
- c) For contractors who need assistance due to a physical impairment, a reasonable accommodation will be provided by the awarding agency upon request for the pre-proposal conference. The Contractor must call Christine Baker at (510) 622-3959 no later than the fifth working day prior to the scheduled date and time of the pre-proposal conference to arrange for a reasonable accommodation.
- d) An optional telephone conference for prospective bidders can be used at agency's discretion. A telephone conference may be requested in lieu of your physical attendance at the optional conference on March 9, 2009. The Contractor must call Christine Baker at (510) 622-3959 no later than the fifth working day prior to the scheduled date and time of the pre-proposal conference to arrange for a reasonable accommodation.

3) Work Plan and Work Schedule Requirements

The proposer should develop a work plan or schedule for task completion. Identify each major task, necessary subtask, and/or specific milestones by which progress can be measured and payments made.

a) Project Personnel

(List all personnel who will be working on the project and their titles)

b) Facilities and Resources

(Explain where the services will be provided and what type equipment is needed to perform the services)

4) Cost Detail Format and Requirements

The proposed work should be broken down into the outline in Work Plan and Work Schedule for the purpose of this proposal. The total costs of all tasks and milestones cannot exceed \$250,000. Use the Sample Cost Proposal Worksheet.

5) Submission of Proposal

- a) Proposals should provide straightforward and concise descriptions of the proposer's ability to satisfy the requirements of this RFP. The proposal must be complete and accurate. Omissions, inaccuracies or misstatements will be sufficient cause for rejection of a proposal.

1. Introduction

It is important that the proposal submitted by a bidder comply with the format and content requirements detailed in this section. Format instructions must be adhered to, all requirements in the RFP must be responded to, and all requested data must be supplied.

2. Content of Written Proposal

The Written Proposal must contain the following sections: Table of Contents, Introduction, General Approach, Work Plan, Management and Staffing, Related Experience and References, and Costs. Each section should be well organized, brief and to the point. Proposals which do not address the objectives and are not clear and succinct, and particularly those which substitute length for substance, will not be favorably received.

The Table of Contents will identify major points of discussion by page.

The Introduction will serve to demonstrate to the reviewers the bidder's understanding of the study's audience, context, purpose, objective, and intended products.

The General Approach will provide an overview of the bidder's proposed design to the study. The design should be clearly related to the material presented in the Introduction and should contain a focused discussion of the study areas specified by the Commission.

An overview of the methods to be used in conducting the study, as well as plans for analysis and reporting, also should be included. *It is highly recommended that the bidders outline an analytical framework for choosing among alternative proposals, including some of the key alternatives and criteria that they intend to use in the analysis of the advantages of various market structures.*

The Work Plan will describe in detail the specific methods, tasks, and activities proposed to be undertaken in order to accomplish the study objectives and produce the required deliverables.

Appropriate justifications will be provided for each method selected and included in the plan.

Any anticipated theoretical or practical problems associated with the completion of each task should also be discussed, and solutions, alternatives, or contingency plans related to this problem should be proposed, as appropriate.

Finally, the work plan should include:

- (1) Identification of all tasks and work items, with initiation and completion dates.
- (2) Responsibility for tasks and work items.

- (3) Proposed staff-loading for all tasks and work items.
Proposed specific personnel assignments to support proposed staffing,
Number of total personnel hours by task.
- (4) Identification of the specific elements, response requirements, or portion
of deliverable products and services that each task or work item supports.

The Management and Staffing section will present a plan for the internal management of contract work that will ensure orderly and timely accomplishment of the tasks set forth in the bidder's proposed work plan.

The bidder should also include in this section a staff organization plan which identifies proposed staff positions and provides for each one the percent of full-time equivalency and a brief job description. The plan shall make clear the relationship of each position to the work plan, and shall be illustrated with a staff organization chart.

The bidder will also identify the individuals proposed to fill professional or technical positions in the staffing plans (including subcontractors, if any) and provide for each person a resume that is sufficiently detailed to allow an evaluation of the person's competency and expertise.

The Related Experience and References section will describe the experience of the bidder in conducting similar or comparable studies and identify those members of the proposed staff who have participated in these studies (including the role and responsibilities of each).

A specific reference to a client's contact person (with current telephone number) for each similar or comparable study shall be included in this section. This section shall also include abstracts of the similar or comparable work.

Any facilities and equipment available for and useful to the completion of the study shall also be described in this section. If new equipment is required to carry out this contract, and it is purchased with monies from this contract, the equipment becomes property of the state upon termination or completion of this contract.

The Costs section should detail the proposed costs associated with the completion of each task identified and with all tasks combined. These costs should include the number of personnel hours associated with each task, with separate identifications for professional and clerical staff hours. Standard line items of expense shall be used to identify staff salaries, benefits, operating expenses, travel and per diem, and overhead. An outline format of the cost section is provided in Attachment 3.

Travel expenses and per diem rates must be set at the rate specified by the Department of Personnel Administration for similar employees or verification must be supplied that indicated such rates are not available to the contractor.

Insurance is required if hazardous activities are to be conducted in the performance of a contract, including transporting persons by any means of transportation. The contractor will be required to demonstrate proof of automobile liability insurance and public liability insurance.

The cost section must include the contract terms of the bidder and provide the names, addresses, and telephone numbers of those authorized to negotiate for the bidder. The contract terms must be acceptable to the State in order for the proposal to be eligible for award.

Any equipment purchased in order to complete this project will become the property of the Department upon completion of the contract and must be delivered to the Project Coordinator within 15 days after completion. Final invoice will not be paid until such equipment is delivered.

- b) The proposal package should be prepared in the least expensive method.
- c) All proposals must be submitted under **sealed** cover and sent to:

Aurora Tison, Contract Manager
Department of Industrial Relations
Division of Administration
Contracts Unit
455 Golden Gate Avenue, 9th Floor
San Francisco, CA 94102
(415) 703-4912

by dates and times shown in Section C, Proposal Requirements and Information, Item 1) Key Action Dates, pages 8. Proposals received after this date and time will not be considered.

- d) A minimum of (6) copies of the proposal must be submitted.
- e) The original proposal must be marked "ORIGINAL COPY". All documents contained in the original proposal package must have original signatures and must be signed by a person who is authorized to bind the proposing firm. All additional proposal sets may contain photocopies of the original package.
- f) The proposal envelopes must be plainly marked with the RFP number and title, your firm name and address, and must be marked with "DO NOT OPEN", as shown in the following example:

If the proposal is made under a fictitious name or business title, the actual legal name of proposer must be provided.

The bid price and all cost information must be submitted in a separate sealed envelope. The envelope should be affixed to the outside of the proposal package and marked "Sealed Cost Proposal-DO NOT OPEN".

Proposals not submitted under sealed cover and marked as indicated may be rejected.

- g) All proposals should include the documents identified in Section E, Required Attachment Checklist (see page 20). Proposals not including the proper "required attachments" shall be deemed non-responsive. A non-responsive proposal is one that does not meet the basic proposal requirements.
- h) Mail or deliver proposals to the address stated above on 2c—Aurora Tison, Contracts Manager of the Division of Administration, Contracts Unit.
- i) Proposals must be submitted for the performance of all the services described herein. Any deviation from the work specifications will not be considered and will cause a proposal to be rejected.
- j) A proposal may be rejected if it is conditional or incomplete, or if it contains any alterations of form or other irregularities of any kind. The State may reject any or all

proposals and may waive any immaterial deviation in a proposal. The State's waiver of immaterial deviation should in no way modify the RFP document or excuse the proposer from full compliance with all requirements if awarded the agreement.

- k) Costs incurred for developing proposals and in anticipation of award of the agreement are entirely the responsibility of the proposer and should not be charged to the State of California.
- l) An individual who is authorized to bind the proposing firm contractually should sign the Attachment 2, Proposal/Proposer Certification Sheet, page 21. The signature must indicate the title or position that the individual holds in the firm. An unsigned proposal may be rejected.
- m) A proposer may modify a proposal after its submission by withdrawing its original proposal and resubmitting a new proposal prior to the proposal submission deadline as set forth in the Key Action Dates. Proposal modifications offered in any other manner, oral or written, will not be considered.
- n) A proposer may withdraw its proposal by submitting a written withdrawal request to the State, signed by the proposer or an authorized agent in accordance with h) above. A proposer may thereafter submit a new proposal prior to the proposal submission deadline. Proposals may not be withdrawn without cause subsequent to proposal submission deadline.
- o) The awarding agency may modify the RFP prior to the date fixed for submission of proposals by the issuance of an addendum to all parties who received a proposal package.
- p) The awarding agency reserves the right to reject all proposals. The agency is not required to award an agreement.
- q) Before submitting a response to this solicitation, bidders should review, correct all errors and confirm compliance with the RFP requirements.
- r) Where applicable, proposer should carefully examine work sites and specifications. No additions or increases to the agreement amount will be made due to a lack of careful examination of work sites and specifications.
- s) More than one proposal from an individual, firm, partnership, corporation or association under the same or different names, will not be considered. (optional with agency)
- t) The State does not accept alternate contract language from a prospective contractor. A proposal with such language will be considered a counter proposal and will be rejected. The State's General Terms and Conditions (GTC) are not negotiable.
- u) No oral understanding or agreement should be binding on either party.

6) Evaluation Process

- a) At the time of proposal opening, each proposal will be checked for the presence or absence of required information in conformance with the submission requirements of this RFP.
- b) Proposals that contain false or misleading statements, or which provide references, which do not support an attribute or condition claimed by the proposer, may be rejected.

c) Phase I

The proposals that meet the minimum qualifications will be evaluated and scored according to the criteria indicated below. A minimum of 85 points must be achieved in this phase to be considered responsive.

Rating/Scoring CriteriaMaximum Possible Points

1. Response to Requirements

a. Understanding of Needs

20 points

The proposal will be evaluated based upon the respondent's understanding of the needs of CHSWC as expressed in this RFP and the development and presentation of a work plan to address those needs.

b. Methodology

40 points

The proposal will also be evaluated on its overall approach and its specific methods, tasks, and activities to determine the extent to which they are sound, clear, feasible, and responsive to the requirements of this RFP. Special consideration will be given to those proposals demonstrating an awareness of any conceptual and/or methodological problems surrounding the study and the soundness of the ways proposed to address these problems.

2. Experience and Expertise

20 points

Respondent's qualifications, including past experience in conducting studies and knowledge of occupational safety and health inspections, policies, and regulations will be evaluated. All pertinent information in this regard should be provided as part of the "Related Experience and References" portion of Section IV.C. Content of Written Proposal. The contractor for this evaluation should have the following characteristics:

- a. An established reputation for independent, nonpartisan, empirical research and analysis of the highest quality.
- b. A breadth of experience conducting research and analysis on the effectiveness of occupational safety and health inspections, policies and regulations and their impact on workplace injury and illness rates.
- c. Demonstrated ability to assemble multi-disciplinary research teams who have experience working with experts in other fields.
- d. Demonstrated ability to communicate policy analytic findings in useful forms to policy-makers, business decision-makers, and the general public.

3. Quality of Proposal Response

10 points

Respondents will be evaluated based on the readability, organization, and specificity of the proposal submitted and the ability of the respondent to communicate concepts clearly. The proposal will be viewed as a sample of the type of product the Department of Industrial Relations could expect to receive from the respondent, if selected.

4. Oral Presentation

10 points

This presentation is an integral part of the RFP process. Failure to make this oral presentation will be considered as being non-responsive to this RFP and the proposal will be rejected.

The presentation will be given at:

Department of Industrial Relations
Commission on Health and Safety and Workers' Compensation
1515 Clay Street, Room 901 (final room will be determined)
Oakland, CA 94612

Oral presentation will be scored using the following criteria:

a. Response to Requirements

5 points

Respondents will be required to present detailed, oral explanation of their proposals, and to respond to questions regarding their proposal approach and methodology. They will also be required to discuss and respond to questions regarding the development of the final product required by this RFP. Points will be awarded based upon their demonstrated understanding of the needs of the Commission on Health and Safety and Workers' Compensation and how well their proposal will address those needs.

b. Experience and Expertise

5 points

Respondents will be required to explain and respond to questions regarding their experience and expertise and that of any participant of the consulting team. Points will be awarded based upon the quality, pertinence and degree of experience and expertise of the team members in relation to their participation in the study.

The total possible combined score that a respondent may receive for both the written and oral presentation evaluations is 100 points. Bidders should have scored 85 points or more to qualify for Phase II.

e) Phase II

This phase consists of opening and evaluating the sealed cost proposals. All proposals that enter Phase II will have received 85 points or more and are considered fully capable of performing the required services.

- f) The sealed envelopes containing the bid price and cost information for the proposals that meet the format requirements and standards should then be publicly opened and read. The agreement will be awarded to the lowest responsive responsible bidder meeting the requirements outlined in this RFP.

7) Award and Protest

- a) Notice of the proposed award shall be posted in a public place in the office of

Aurora Tison
Department of Industrial Relations
Business Management, Contracts Unit
455 Golden Gate Avenue, 9th Floor
San Francisco, Ca. 94102
(415)703-4912

and on the following internet site: www.cscr.dgs.ca.gov for five (5) working days prior to awarding the agreement.

- b) If any proposer, prior to the award of agreement, files a protest with the

Aurora Tison
Department of Industrial Relations
Business Management, Contracts Unit
455 Golden Gate Avenue, 9th Floor
San Francisco, Ca. 94102

And

Department of General Services
Office of Legal Services
707 Third Street, 7th Floor, Suite 7-330
West Sacramento, CA 95605

on the grounds that the (protesting) proposer would have been awarded the contract had the agency correctly applied the evaluation standard in the RFP, or if the agency followed the evaluation and scoring methods in the RFP, the agreement shall not be awarded until either the protest has been withdrawn or the Department of General Services has decided the matter. It is suggested that you submit any protest by certified or registered mail.

- c) Within five (5) days after filing the initial protest, the protesting proposer shall file with the Department of General Services, Office of Legal Services and the Department of Industrial Relations a full and complete statement specifying the grounds for the protest.
- d) Upon award of the agreement, Contractor must complete and submit to the awarding agency the Payee Data Record (STD 204), to determine if the Contractor is subject to state income tax withholding pursuant to California Revenue and Taxation Code Sections 18662 and 26131. This form can be found on the Internet at www.osp.dgs.ca.gov under the heading FORMS MANAGEMENT CENTER. No payment shall be made unless a completed STD 204 has been returned to the awarding agency.
- e) Upon award of the agreement, Contractor must sign and submit to the awarding agency, *page one (1)* of the Contractor Certification Clauses (CCC), which can be found on the Internet at www.dgs.ca.gov/contracts.

8) Disposition of Proposals

- a) Upon proposal opening, all documents submitted in response to this RFP will become the property of the State of California, and will be regarded as public records under the California Public Records Act (Government Code Section 6250 et seq.) and subject to review by the public.

The State cannot prevent the disclosure of public documents. However, the contents of all proposal, draft proposals, correspondence, agenda, Memoranda, working papers, or any other medium which disclosed any aspects of proposer's proposal, shall be held in the strictest confidence until the "Letter of Intent" is posted.

- b) Proposal packages may be returned only at the proposer's expense, unless such expense is waived by the awarding agency.

9) Agreement Execution and Performance

- a) Service shall start not later than (5) days, or on the express date set by the awarding agency and the Contractor, after all approvals have been obtained and the agreement is fully executed. Should the Contractor fail to commence work at the agreed upon time, the awarding agency, upon five (5) days written notice to the Contractor, reserves the right to terminate the agreement. In addition, the Contractor shall be liable to the State for the difference between Contractor's Proposal price and the actual cost of performing work by another contractor.

- b) All performance under the agreement shall be completed on or before the termination date of the agreement.

D) Preference Programs

- 1) Small Business preference - www.pd.dgs.ca.gov

A five percent (5%) bid preference is available to certified small business vendors. Likewise, a five percent (5%) bid preference is also available to a non-small business claiming twenty-five percent (25%) California certified small business subcontractor participation. If claiming the non-small business subcontractor preference, the bid response must include a list of the small business(es) with which you commit to subcontract in an amount of at least twenty-five percent (25%) of the net bid price with one of more California certified small businesses. Each listed certified small business must perform a "commercially useful function" in the performance of the contract as defined in Government Code Section 14837(d)(4).

The required list of California certified small business subcontracts must be attached to the bid response and must include the following: 1) subcontractor name, 2) address, 3) phone number, 4) a description of the work to be performed and/or products supplied, 5) and the dollar amount or percentage of the net bid price (as specified in the solicitation) per subcontractor.

Bidders claiming the five percent (5%) preference must commit to subcontract at least twenty-five percent (25%) of the net bid price with one or more California certified small businesses. Completed certification applications and required support documents must be submitted to the office of Small Business and DVBE Certification (OSDC) no later than 5:00 p.m. on the bid due date, and the OSDC must be able to approve the application as submitted. Questions regarding certification should be directed to the OSDC at (916) 375-4940."

- 2) Target Area Contract Preference Act (TACPA) - www.pd.dgs.ca.gov/disputes
- 3) Local Agency Military Base Recovery Area (LAMBRA) Act - www.pd.dgs.ca.gov/disputes
- 4) Enterprise Zone Act (EZA) - www.osmb.dgs.ca.gov/eza/program.htm

E) Required Attachments

An explanation of the Disabled Veteran Enterprise Program (DVBE) requirements can be found at the Internet web site www.pd.dgs.ca.gov/dvbe. Select "DVBE Resource Packet" under "Quick Links".

The DVBE package and the required submittal forms can be found at the Internet website www.pd.dgs.ca.gov and select DVBE Participation Solicitation Package In accordance with PCC Section 10115.2(b)(3), bidders must advertise in trade and focus publications unless all DVBE goals are satisfied. The Procurement Division publishes a list of trade and focus publications to assist bidders in meeting these contract requirements. To obtain this list, please contact the Procurement Division and request the "Resource Packet" at (916) 375-4940 or to to the website as stated above.

The Department of Industrial Relations (DIR) is including a DVBE program for this solicitation subchapter 10.6 of the California Code of Regulations Title 2. Administration Division 2. Financial Operation Chapter 3. Department of General Services to create a Disabled Veteran Business Enterprise (DVBE) incentive program when awarding contracts. The DVBE incentive is only applied for bidders that include DVBE participation. The DVBE incentive

applied for this solicitation is 5% for a minimum DVBE participation percentage of 3%.

For example, if bidder A submitted the lowest responsive responsible bid of \$20,000, and bidder B's bid is \$20,900, bidder B is entitled to a 5% DVBE incentive if bidder B commits at least 3% of the contract bid amount with a DVBE. This incentive would be calculated accordingly:

$\$20,000 \times 5\% = \$1,000$ (5% of the lowest responsive responsible bid belonging to bidder A)

$\$20,900 - \$1,000 = \$19,900$ (the incentive amount is used to determine the contract bid amount for bidder B for computation purposes only)

With the DBVE incentive, bidder B has the lowest bid at \$19,900 and will be awarded the contract over bidder A.

Refer to page 20 for additional required attachments that are a part of this RFP.

ATTACHMENT 1REQUIRED ATTACHMENT CHECK LIST

A complete proposal or proposal package will consist of the items identified below.

Complete this checklist to confirm the items in your proposal. Place a check mark or "X" next to each item that you are submitting to the State. For your proposal to be responsive, all required attachments must be returned. This checklist should be returned with your proposal package also.

<u>Attachment</u>	<u>Attachment Name/Description</u>
_____ Attachment 1	Required Attachment Check List
_____ Attachment 2	Proposal/Proposer Certification Sheet
_____ Attachment 3	Cost Sheet
_____ Attachment 4	Proposer References
_____ Attachment 5	Disabled Veteran Business Enterprise Participation Forms and Instructions *
	Std. 840 Disabled Veteran Business Enterprise Participation Summary (page 1).
	Good Faith Effort Documentation – Exhibit A (3 pages)
_____ Attachment 6	Payee Data Record (STD 204) (if currently not on file)
_____ Attachment 7	Contractor Certification Clauses (CCC (304). The CCC can be found on the Internet at www.ols.dgs.ca.gov/Standard+Language .
_____ Attachment 8	Control of Work Product
_____ Attachment 9	Darfur Contracting Act

ATTACHMENT 2PROPOSAL/PROPOSER CERTIFICATION SHEET

This Proposal/Proposer Certification Sheet must be signed and returned along with all the "required attachments" as an entire package in duplicate with original signatures. The proposal must be transmitted in a sealed envelope in accordance with RFP instructions.

Do not return Section C, Proposal Requirements and Information (pages 3 through 11) nor the "Sample Agreement" at the end of this RFP.

For RFP Primary Only:

- A. Our all-inclusive cost proposal is submitted in a sealed envelope marked **"Cost Proposal - Do Not Open"**.
- B. Place all required attachments behind this certification sheet.
- C. I have read and understand the DVBE Participation requirements and have included documentation demonstrating that I have met the participation goals or have made a good faith effort.
- D. The signature affixed hereon and dated certifies compliance with all the requirements of this proposal document. The signature below authorizes the verification of this certification.

**An Unsigned Proposal/Proposer Certification Sheet
May Be Cause For Rejection**

1. Company Name	2. Telephone Number ()	2a. Fax Number ()		
3. Address				
Indicate your organization type:				
4. ☐ Sole Proprietorship	5. ☐ Partnership	6. ☐ Corporation		
Indicate the applicable employee and/or corporation number:				
7. Federal Employee ID No. (FEIN)	8. California Corporation No.			
9. Indicate applicable license and/or certification information:				
10. Proposer's Name (Print)	11. Title			
12. Signature	13. Date			
14. Are you certified with the Department of General Services, Office of Small Business Certification and Resources (OSBCR) as:				
<table style="width: 100%; border: none;"> <tr> <td style="width: 50%; border: none; vertical-align: top;"> a. California Small Business Enterprise Yes ☐ No ☐ If yes, enter certification number: _____ </td> <td style="width: 50%; border: none; vertical-align: top;"> b. Disabled Veteran Business Enterprise Yes ☐ No ☐ If yes, enter your service code below: _____ </td> </tr> </table>			a. California Small Business Enterprise Yes ☐ No ☐ If yes, enter certification number: _____	b. Disabled Veteran Business Enterprise Yes ☐ No ☐ If yes, enter your service code below: _____
a. California Small Business Enterprise Yes ☐ No ☐ If yes, enter certification number: _____	b. Disabled Veteran Business Enterprise Yes ☐ No ☐ If yes, enter your service code below: _____			
NOTE: A copy of your Certification is required to be included if either of the above items is checked "Yes". Date application was submitted to OSBCR, if an application is pending: _____				

Completion Instructions for Proposal/Proposer Certification Sheet

Complete the numbered items on the
Proposal/Proposer Certification Sheet by following the instructions below.

Item Numbers	Instructions
1, 2, 2a, 3	Must be completed. These items are self-explanatory.
4	Check if your firm is a sole proprietorship. A sole proprietorship is a form of business in which one person owns all the assets of the business in contrast to a partnership and corporation. The sole proprietor is solely liable for all the debts of the business.
5	Check if your firm is a partnership. A partnership is a voluntary agreement between two or more competent persons to place their money, effects, labor, and skill, or some or all of them in lawful commerce or business, with the understanding that there shall be a proportional sharing of the profits and losses between them. An association of two or more persons to carry on, as co-owners, a business for profit.
6	Check if your firm is a corporation. A corporation is an artificial person or legal entity created by or under the authority of the laws of a state or nation, composed, in some rare instances, of a single person and his successors, being the incumbents of a particular office, but ordinarily consisting of an association of numerous individuals.
7	Enter your federal employee tax identification number.
8	Enter your corporation number assigned by the California Secretary of State's Office. This information is used for checking if a corporation is in good standing and qualified to conduct business in California.
9	Complete, if applicable, by indicating the type of license and/or certification that your firm possesses and that is required for the type of services being procured.
10,11 12, 13,	Must be completed. These items are self-explanatory.
14	If certified as a California Small Business, place a check in the "yes" box, and enter your certification number on the line. If certified as a Disabled Veterans Business Enterprise, place a check in the "Yes" box and enter your service code on the line. If you are not certified to one or both, place a check in the "No" box. If your certification is pending, enter the date your application was submitted to OSBCR.

ATTACHMENT 3SAMPLE COST PROPOSAL WORKSHEET

(May be modified by the bidder to meet its specific needs.)

DIRECT LABOR	HOURS	RATE	TOTAL
Program Manager	_____@	_____	_____
Staff Assistant	_____@	_____	_____
Technician	_____@	_____	_____
Clerical	_____@	_____	_____
			\$ _____
SUBCONTRACTOR(S) COST ITEMIZED			\$ _____
INDIRECT COSTS (OVERHEAD AND FRINGE BENEFITS)			
Overhead Rate		_____	_____
Fringe Benefits		_____	_____
			\$ _____
DIRECT COSTS (EXCEPT LABOR)			
Travel Costs			_____
Equipment and Supplies (Itemized)			_____
Other Direct Costs (Itemized)			_____
			\$ _____
TOTAL COSTS			\$ _____

ATTACHMENT 4PROPOSER REFERENCES

Submission of this attachment is mandatory. Failure to complete and return this attachment with your proposal will cause your proposal to be rejected and deemed nonresponsive.

List below three references of similar types of services performed within the last five years. If three references cannot be provided, please explain why on an attached sheet of paper.

REFERENCE 1

Name of Firm			
Street Address	City	State	Zip Code
Contact Person		Telephone Number	
Dates of Service		Value or Cost of Service	
Brief Description of Service Provided			

REFERENCE 2

Name of Firm			
Street Address	City	State	Zip Code
Contact Person		Telephone Number	
Dates of Service		Value or Cost of Service	
Brief Description of Service Provided			

REFERENCE 3

Name of Firm			
Street Address	City	State	Zip Code
Contact Person		Telephone Number	
Dates of Service		Value or Cost of Service	
Brief Description of Service Provided			

ATTACHMENT 5

CALIFORNIA DISABLED VETERAN BUSINESS ENTERPRISE (DVBE)
PROGRAM REQUIREMENTS

CALIFORNIA DISABLED VETERAN BUSINESS ENTERPRISE (DVBE) PROGRAM REQUIREMENTS

(Revision Date 12/06/2007)

Please read the requirements and instructions carefully before you begin.

AUTHORITY. The Disabled Veteran Business Enterprise (DVBE) Participation Goal Program for State contracts is established in Public Contract Code (PCC), §10115 et seq., Military and Veterans Code (MVC), §999 et seq., and California Code of Regulations (CCR), Title 2, §1896.60 et seq.

The minimum DVBE participation percentage (goal) is 3% for this solicitation unless another percentage is specified in the solicitation.

INTRODUCTION. The bidder must complete the identified forms and fully document at least one of the options (A, B or C) in this document to comply with this solicitation's DVBE program requirements. Bids or proposals (hereafter called "bids") that **fail to submit all required forms and fully document and meet one of the DVBE program requirement options shall be considered non-responsive.**

Information submitted by the intended awardee to comply with this solicitation's DVBE requirements will be verified by the State. If evidence of an alleged violation is found during the verification process, the State shall initiate an investigation, in accordance with the requirements of the PCC §10115, et seq., and MVC §999 et seq., and follow the investigatory procedures required by the CCR §1896.80. Contractors found to be in violation of certain provisions may be subject to loss of certification, penalties and/or contract termination.

Only State of California, Office of Small Business and DVBE Services (OSDS), certified DVBEs (hereafter called "DVBE") who perform a commercially useful function relevant to this solicitation, may be used to satisfy the DVBE program requirements. The criteria and definition for performing a commercially useful function are contained herein on the page entitled **Resources & Information**. Bidders are to verify each DVBE subcontractor's certification with OSDS to ensure DVBE eligibility.

PLEASE READ ALL INSTRUCTIONS CAREFULLY. These instructions contain information about the DVBE program requirements, bidder responsibilities, requirements for performing and documenting each of the three available options (Option A, Option B, or Option C) as detailed below, and the DVBE Bid Incentive. Bidders are responsible for thorough review and compliance with these instructions. Complete and document your option selection and related information on the forms identified herein.

To meet the DVBE program requirements, bidders must complete and fully document at least one of the following compliance options:

Option A - Commitment to full DVBE participation - For a bidder who is a DVBE or who is able to meet the commitment to use identified certified DVBE(s) to fulfill the full DVBE participation goal.

Option B - Good Faith Effort - For a bidder documenting its completed effort, made prior to the bid due date, to obtain DVBE participation that may result in partial or no DVBE participation. (For partial participation, identified certified DVBE(s) must be used).

Option C - Business Utilization Plan - For a bidder using an annual plan (subject to pre-bid submission approval) to satisfy DVBE participation requirements. Applies only to solicitations for goods and information technology.

OPTION A – COMMITMENT -- Commit to meet or exceed the DVBE participation requirement in this solicitation by either Method A1 (bidder is a California certified DVBE) or A2 (bidder is not a California certified DVBE). Bidders must document DVBE participation commitment by completing and submitting the attached Documentation of Disabled Veteran Business Enterprise Program Requirements (STD. 840) and the Bidder Declaration (GSPD-05-105) located elsewhere within the solicitation document. Failure to complete and submit the required forms as instructed shall render the bid non-responsive.

At the State's option prior to award of the contract, a written confirmation from each DVBE subcontractor identified on the Bidder Declaration must be provided. As directed by the State, the written confirmation must be signed by the bidder and/or the DVBE subcontractor(s). The written confirmation may request information that includes but is not limited to the DVBE scope of work, work to be performed by the DVBE, term of intended subcontract with the DVBE, anticipated dates the DVBE will perform required work, rate and conditions of payment, and total amount to be paid to the DVBE. If further verification is necessary, the State will obtain additional information to verify the above requirements.

Method A1. Certified DVBE bidder:

- a. Commit to performing at least 3% of the contract bid amount (unless otherwise specified) with the prime bidder's firm or in combination with another DVBE(s).
- b. Document option intention on the STD. 840 (Section A) and document DVBE participation on the Bidder Declaration GSPD-05-105.
- c. At the State's option a DVBE bidder working in combination with other DVBEs shall submit proof of its commitment by submitting a written confirmation from the DVBE(s) identified as a subcontractor on the Bidder Declaration. When requested, the document must be submitted to the address or facsimile number specified and within the timeframe identified in the notification. Failure to submit the written confirmation as specified may be grounds for bid rejection.

Method A2. Non-DVBE bidder:

- a. Commit to using certified DVBE(s) for at least 3% (unless otherwise specified) of the bid amount.
- b. When a bidder commits to less than the required 3% DVBE participation or its commitment may fall below 3% such as when specific line items/groups are not selected for award, then Option B, Good Faith Effort must be completed.
- c. Document option intention on the STD. 840 (Section A) and document DVBE participation on the Bidder Declaration GSPD-05-105. Note: If Option B is selected, see Good Faith Effort documentation requirements below.
- d. At the State's option prior to contract award, a bidder is to submit proof of its commitment by submitting a written confirmation from each DVBE identified as a subcontractor on the Bidder Declaration GSPD-05-105. The awarding department contracting official named in the solicitation may contact each listed DVBE, by mail, fax or telephone, for verification of the bidder's submitted DVBE information. When requested, the document must be submitted to the address or facsimile number specified and within the timeframe identified in the notification. Failure to submit the written confirmation as specified may be grounds for bid rejection.

OPTION B – GOOD FAITH EFFORT (GFE) performance and documentation requirements must be completely satisfied prior to bid submission if the bidder is unable to obtain and commit to the full DVBE participation percentage goal (Option A) and does not exercise Option C. Perform and document the following Steps 1 through 5 on both pages of the attached STD. 840 form. Failure to perform and document GFE Steps 1 through 5 as instructed, which includes properly completing and submitting both pages of STD. 840 and the Bidder Declaration GSPD-05-105, shall result in the bid being deemed non-responsive. Step 3, Advertisement, is required unless specifically waived for this solicitation due to time limits imposed by the awarding department.

Step 1: Awarding Department (PCC §10115.2[b][1])

Contact the department's contracting official named in this solicitation for any DVBE suppliers, if available, who may have identified themselves as potential subcontractors or to obtain suggestions for search criteria to possibly identify DVBE suppliers for the solicitation. The contact must be fully documented and the results described on the STD. 840 (Page 1), Section B, Step 1.

Step 2: Other State and Federal Agencies, and Local Organizations (PCC §10115.2[b][2])

All three entities must be contacted. For searches that are accomplished online, attach screen print(s) of Web results for verification. The screen prints should be current and coincide with the goods/services sought in the State's solicitation.

STATE: Access the list of all certified DVBEs by using the Department of General Services, Procurement Division (DGS-PD), Office of Small Business and DVBE Services (OSDS) online certified firm database at www.pd.dgs.ca.gov/smbus. Begin by selecting "Search for Certified SBs and DVBEs by Specific Criteria." Search by Keywords and/or click on "Include SIC Codes in Search" if you wish to also search by SIC codes. You should also check for subcontractor ads that may be placed on the California State Contracts Register (CSCR) for this solicitation prior to the closing date. You may access the CSCR at: <http://www.cscr.dgs.ca.gov/cscr/>. For questions regarding the online certified firm database and the CSCR, please call the OSDS at (916) 375-4940. All contacts must be fully documented and the results described on the STD. 840 (Page 1), Section B, Step 2.

FEDERAL: Search the U.S. Small Business Administration's (SBA) Central Contractor Registration (CCR) on-line database at www.ccr.gov/ to identify potential DVBEs and click on the "Dynamic Small Business Search" button. Search options and information are provided on the CCR Dynamic Small Business Search site. First time users should click on the "help" button for detailed instructions. You must fully document this contact and describe the results on the STD. 840 (Page 1), Section B, Step 2.

LOCAL: Contact at least one local DVBE organization to identify DVBEs. For a list of local DVBE organizations, please refer to the DVBE Resource Packet that may be accessed online (www.pd.dgs.ca.gov/smbus - select "DVBE Resource Packet") or obtain a hardcopy by requesting it from DGS-PD Office of Small Business and DVBE Services (see the Resources & Information page provided herein). You must fully document your contact with local DVBE organizations and describe the results on the STD. 840 (Page 1), Section B, Step 2.

Step 3: Advertisements (PCC §10115.2[b][3])

Advertisements are mandatory unless waived by the awarding department within the solicitation.

CONTENT REQUIREMENTS: Include all of the following in your advertisement(s): (1) company name; (2) contact name; (3) address; (4) telephone and facsimile numbers (if applicable); (5) e-mail address (if applicable); (6) the State's solicitation number; (7) description of goods and/or services for which subcontractor participation is sought (Note: It must be goods and/or services for which the subcontractor will be performing a commercially useful function); (8) the location(s) of work to be performed; (9) the State's bid due date and/or your due date for receiving DVBE responses.

HOW MANY & WHERE TO PUBLISH: Bidders must publish at a minimum, two (2) ads: one (1) each in a trade paper and a DVBE focus paper unless the paper has a dual purpose (fulfilling both trade and focus requirements as defined in CCR, Title 2, §1896.61(k)), in which case one (1) ad is acceptable in lieu of

the two (2) mentioned above. Please see the DVBE Resource Packet for a list of acceptable publications.

WHEN: Pursuant to CCR §1896.63(2), advertisements must be published after the solicitation's release date and at least 14 days prior to the bid due date, unless a different time period is expressly established in this solicitation.

DOCUMENT & SUBMIT: On the STD. 840 (Page 2), Section C, Step 3, document the publication name(s) where advertisement(s) were published, the contact name and phone number, and the date of publication. Include a copy of the advertisement(s) with your bid.

Step 4: Invitations to Participate (PCC §10115.2[b][4])

WHO: Invite (solicit) DVBEs who can provide relevant goods and/or services to this solicitation to subcontract with you. Conducting Steps 1 through 3 produces a list of DVBEs from which you may choose potential DVBE subcontractors to contact. Bidders are advised to contact as many DVBEs (who provide relevant goods and/or services in the applicable location(s)) as possible.

Only California certified DVBEs should be contacted -- please refer non-California certified DVBEs to the OSDS to learn about certification (see the Resources & Information page for contact information).

FOR WHAT: Solicit DVBEs for goods and/or services relevant to the State's solicitation. If you are unable to identify specific portions of the proposed contract to subcontract, the State encourages bidders to avoid making a predetermination that no DVBEs are able to perform or no portions of the work can be subcontracted, without first contacting and soliciting participation from them. This allows DVBEs to respond whether they can or cannot provide goods or services related to the solicitation, and provides a bidder with responses for consideration.

HOW TO INVITE & CONTENT REQUIREMENTS: **Written invitations are required.** At a minimum, invitations must contain all of the following: (1) company name; (2) contact name; (3) address; (4) telephone and facsimile (if applicable) numbers; (5) return e-mail address (if applicable); (6) the State's solicitation number; (7) description of goods and/or services for which subcontractor participation is sought (Note: It must be goods and/or services for which the subcontractor will be performing a commercially useful function); (8) the location(s) of work to be performed; (9) the State's bid due date and/or your due date for receiving DVBE responses.

The invitation should also include the anticipated schedule for subcontractor performance and terms/conditions related to payment of the subcontractor.

WHEN: Provide DVBEs with a reasonable time period to receive and respond to your invitation, and to be considered by you for participation as described in Step 5 (below), prior to your bid submission.

DOCUMENT & SUBMIT: Bidders must document the completed contacts on STD. 840 (Page 2), Section C. Attach additional copies of STD. 840A as necessary to list your DVBE contacts. You are required to attach a copy of: (1) each invitation or offer sent by mail, fax or e-mail; and (2) should include confirmation of transmittal or delivery. Your bid may be considered non-responsive if it fails to include copies of the written invitations and delivery confirmations.

Step 5: Consider all responding DVBEs for contract participation (PCC §10115.2[b][5])

Consideration must be based on business needs for this contract and the same evaluation criteria must be applied to each potential DVBE subcontractor offering the same goods and services. Any firm selected for participation must be documented on the Bidder Declaration GSPD-05-105. Bidders must commit to using the certified DVBEs in the capacity and for the amount identified on the GSPD-05-105. Any firm not selected must be identified on the STD. 840

(Page 2), Section C, and the reason for non-selection documented on the form. Attach additional copies of STD. 840A as necessary to list all of your DVBE contacts that were not selected.

OPTION C – THE DVBE BUSINESS UTILIZATION PLAN (BUP) option permits bidders to submit an approved DVBE BUP to satisfy DVBE participation solicitation requirements up to 3%. **DVBE BUPs apply only to solicitations for goods and Information Technology (IT) goods and services.** DVBE BUPs are a company's commitment to expend a minimum of 3% of its total statewide contract dollars with DVBEs -- this percentage is based on all of its contracts held in California, not just those with the State. DVBE BUPs must be submitted to and approved by the DGS-PD prior to the bid due date. Please call the DGS-PD, Office of Small Business and DVBE Services for assistance. Bidders choosing this option must properly complete and submit STD. 840 (Section A), the Bidders Declaration (GSPD-05-105), and include a copy of its approval letter with the bid; failure to submit these documents shall render your bid non-responsive.

DVBE BID INCENTIVE. Unless stated elsewhere in the solicitation that the DVBE incentive has been waived, in accordance with Section 999.5(a) of the Military and Veterans Code an incentive will be given to bidders who provide DVBE participation. For evaluation purposes only, the State shall apply an incentive to bids that propose California certified DVBE participation as identified on the Bidder Declaration GSPD-05-105 and confirmed by the State. The incentive amount for awards based on low price will vary in conjunction with the percentage of DVBE participation. Unless a table that replaces the one below has been expressly established elsewhere within the solicitation, the following percentages will apply for awards based on low price.

Confirmed DVBE Participation of:	DVBE Incentive:
5% or Over	5%
4% to 4.99% inclusive	4%
3% to 3.99% inclusive	3%
2% to 2.99% inclusive	2%
1% to 1.99% inclusive	1%

As applicable: (1) Awards based on low price - the net bid price of responsive bids will be reduced (for evaluation purposes only) by the amount of DVBE incentive as applied to the lowest responsive net bid price. If the #1 ranked responsive, responsible bid is a California certified small business, the only bidders eligible for the incentive will be California certified small businesses. The incentive adjustment for awards based on low price cannot exceed 5% or \$100,000, whichever is less, of the #1 ranked net bid price. When used in combination with a preference adjustment, the cumulative adjustment amount is not to exceed \$100,000.

(2) Awards based on highest score - the solicitation shall include an individual requirement that identifies incentive points for DVBE participation.

RESOURCES AND INFORMATION

For questions regarding bid documentation requirements, **contact the contracting official at the awarding department for this solicitation.** In accordance with Public Contract Code Section 10115.2(b)(3), bidders must advertise in trade and focus publications unless the requirement is waived. The Department of General Services, Procurement Division (DGS-PD) publishes a list of trade and focus publications to assist bidders in meeting these contract requirements. To obtain this list, please contact the DGS-PD Office of Small Business and DVBE Services and request the "DVBE Resource Packet."

U.S. Small Business Administration (SBA):
Use the Central Contractor Registration (CCR) on-line database.
Internet contact only –Database: www.ccr.gov/.

FOR:
Service-Disabled Veteran-owned businesses in California (Remember to verify each DVBE's California certification.)

Local Organizations (see the DVBE Resource Packet available from DGS-PD DVBE Program Section listed below)

FOR:
List of potential DVBE subcontractors

DGS-PD Office of Small Business and DVBE Services (OSDS)
707 Third Street, Room 1-400, West Sacramento, CA 95605

Website: www.pd.dgs.ca.gov/smbus

OSDS Receptionist, 8 am-5 pm: (916) 375-4940

PD Receptionist, 8 am-5 pm: (800) 559-5529

Fax: (916) 375-4950

Email: osdchelp@dgs.ca.gov

FOR:

- Directory of California-Certified DVBEs
- Certification Applications
- Certification Information
- Certification Status, Concerns
- General DVBE Program Info.
- DVBE Resource Packet
- DVBE Business Utilization Plan
- Small Business/DVBE Advocates

ADVERTISEMENT FORMAT EXAMPLE

This example offers a suggested format that includes required information outlined in Option B, Good Faith Effort, Step 3. You can substitute the applicable information for the bolded, italicized words.

DVBEs are invited to participate as a potential subcontractor to perform a commercially useful function specific to **DGS' IFB No. 12345** for **fencing materials in Chowchilla**.

*DVBE responses due to me 1/1/02;
Bids due to the State 1/15/02.*

Contact: **ABC Company**
Jane Doe, General Manager
123 Main Street, Sacramento, CA 95814
voice: **555/555-5555**; fax: **555/555-5556**
or e-mail: **jane.doe@abcco.com**

Commercially Useful Function Definition

California Code of Regulations, Title 2, § 1896.61(l):

The term "DVBE contractor, subcontractor or supplier" means any person or entity that satisfies the ownership (or management) and control requirements of §1896.61(f); is certified in accordance with §1896.70; and provides services or goods that contribute to the fulfillment of the contract requirements by performing a commercially useful function.

As defined in MVC §999, a person or an entity is deemed to perform a "commercially useful function" if a person or entity does **all** of the following:

- Is responsible for the execution of a distinct element of the work of the contract.
- Carries out the obligation by actually performing, managing, or supervising the work involved.
- Performs work that is normal for its business services and functions.
- Is not further subcontracting a portion of the work that is greater than that expected to be subcontracted by normal industry practices.

A contractor, subcontractor, or supplier will not be considered to perform a commercially useful function if the contractor's, subcontractor's, or supplier's role is limited to that of an extra participant in a transaction, contract, or project through which funds are passed in order to obtain the appearance of disabled veteran business enterprise participation.

DOCUMENTATION OF DISABLED VETERAN BUSINESS ENTERPRISE PROGRAM REQUIREMENTS

STD. 840 (REV. 3/2007)

A. Designation Of Option – Check the appropriate box(es) to indicate the option(s) with which you choose to comply, complete the applicable sections and attach the required supporting documentation. You are advised to read all instructions carefully prior to completing this form. Remember that only California certified DVBEs who can provide related goods and/or services may be used to satisfy these program solicitation requirements. DVBEs must perform a commercially useful function. During contract performance, all requests for substituting DVBE subcontractors must be made in accordance with the provisions of California Code of Regulations, Title 2, §1896.64(c).

☐ **OPTION A – I commit to meeting the full DVBE Agreement participation requirement.**

Complete: STD. 840, Section A (check the box on this form) and
Bidder Declaration form GSPD-05-105 (located elsewhere in the solicitation)

☐ **OPTION B – I performed and documented a Good Faith Effort (GFE) in an attempt to obtain DVBE participation.**

Complete: STD. 840, Section A (check the box on this form),
STD. 840, Section B (for GFE Steps 1 & 2),
STD. 840 (REVERSE), Section C (for GFE Steps 3-5), and
Bidder Declaration form GSPD-05-105 (located elsewhere in the solicitation)

☐ **OPTION C – I submit a copy of my firm's "Notice of Approved DVBE Business Utilization Plan."**

Complete: STD. 840, Section A (check the box on this form) and
Bidder Declaration form GSPD-05-105 (located elsewhere in the solicitation)

B. Documentation of Good Faith Effort Steps 1 and 2 – Full information must be provided. Remember to carefully read all instructions prior to completing this form. Please refer to the Resources & Information page for detailed contact information.

STEP 1. Contact the Awarding Department (the contracting official, unless another contact is specified) to identify potential DVBE subcontractors, and document this contact below.

Date Contacted / /	Contact Name	Telephone Number () - ext.
Describe Result		

STEP 2. Contact all of the following and document your contacts as required: Other State and federal agencies and local organizations to identify potential DVBE subcontractors. **Attach screen print(s) of Web Results for verification.**

Other State Agency – Procurement Division, Office of Small Business and DVBE Services (OSDS)

PHONE CONTACT OR ONLINE SEARCH	Date / /	Telephone Number (916) 375-4940	Contact Name	☐ I contacted the OSDS for a list of California certified DVBEs.
	Date / /	Internet Address www.pd.dgs.ca.gov/smbus		☐ I searched the OSDS online database to identify California certified DVBEs.
Describe Result				

Federal Agency – U.S. Small Business Administration (SBA) online database

Date / /	Internet Address www.ccr.gov/.	☐ I searched the federal online database for California DVBEs.
Describe Result		

Local DVBE Organizations – Contact at least one local DVBE organization – refer to the DVBE Resource Packet for a list of acceptable contacts. (www.pd.dgs.ca.gov/smbus – select "DVBE Resource Packet")

Date / /	Organization Name	Contact Name	Telephone Number and/or Internet Address () - www.
Describe Result			

Date / /	Organization Name	Contact Name	Telephone Number and/or Internet Address () - www.
Describe Result			

Go to Page 2, Section C to continue Good Faith Effort documentation ⇒

DOCUMENTATION OF DISABLED VETERAN BUSINESS ENTERPRISE PROGRAM REQUIREMENTS

STD 840 (REV. 3/2007) (REVERSE)

C. Documentation of Good Faith Effort Steps 3, 4 and 5 – Full information must be provided.

STEP 3. Publish advertisements: At least two (2) advertisements: One (1) ad in an accepted trade paper; and one (1) ad in an accepted DVBE focus paper (please see the DVBE Resource Packet for a list of all accepted publications and a sample advertisement format); unless the paper is an approved dual purpose (fulfilling both trade and focus requirements), in which case one (1) ad is acceptable. **Document this step as required and remember to attach a copy of your advertisement(s).**

Focus Paper Name (list full name)	Contact Name	Telephone Number () -
Address		Date Ad Published / /
Trade Paper Name (list full name)	Contact Name	Telephone Number () -
Address		Date Ad Published / /

☐ I certify the ad was placed to reach both trade and focus audiences through this one publication.

Trade and Focus Paper Name (list full name)	Contact Name	Telephone Number () -
Address		Date Ad Published / /

STEP 4 & STEP 5. Document your completed contacts with (Step 4) and consideration of (Step 5), relevant DVBEs. Business reasons for non-selection must be explained. Attach additional pages to list all other DVBE contacts (you may use STD. 840A). Copies of all written invitations must be attached. Delivery confirmations should also be attached and submitted with the bid.

Date Contacted / /	DVBE Company Name		
DVBE Contact Name & Reference #	Telephone Number () - ext.	Fax Number () -	E-mail (if available)
Street Address, City, State, and Zip Code			

☐ DVBE was selected and is listed on the GSPD-05-105 ☐ DVBE not selected for the following business reasons:

Date Contacted / /	DVBE Company Name		
DVBE Contact Name & Reference #	Telephone Number () - ext.	Fax Number () -	E-mail (if available)
Street Address, City, State, and Zip Code			

☐ DVBE was selected and is listed on the GSPD-05-105 ☐ DVBE not selected for the following business reasons:

Date Contacted / /	DVBE Company Name		
DVBE Contact Name & Reference #	Telephone Number () - ext.	Fax Number () -	E-mail (if available)
Street Address, City, State, and Zip Code			

☐ DVBE was selected and is listed on the GSPD-05-105 ☐ DVBE not selected for the following business reasons:

ATTACH ADDITIONAL PAGES (OR USE STD. 840A) TO LIST ALL OTHER DVBE CONTACTS

ADDITIONAL DISABLED VETERAN BUSINESS ENTERPRISE CONTACTS

STD. 840A (REV. 3/2007)

This document may be used as a continuation from Section C, STD. 840, Steps 4 & 5

Date Contacted / /	DVBE Company Name		
DVBE Contact Name & Reference #	Telephone Number () - ext.	Fax Number () -	E-mail (if available)
Street Address, City, State, and Zip Code			

☐ DVBE was selected and is listed on the GSPD-05-105 ☐ DVBE not selected for the following business reasons:

Date Contacted / /	DVBE Company Name		
DVBE Contact Name & Reference #	Telephone Number () - ext.	Fax Number () -	E-mail (if available)
Street Address, City, State, and Zip Code			

☐ DVBE was selected and is listed on the GSPD-05-105 ☐ DVBE not selected for the following business reasons:

Date Contacted / /	DVBE Company Name		
DVBE Contact Name & Reference #	Telephone Number () - ext.	Fax Number () -	E-mail (if available)
Street Address, City, State, and Zip Code			

☐ DVBE was selected and is listed on the GSPD-05-105 ☐ DVBE not selected for the following business reasons:

Date Contacted / /	DVBE Company Name		
DVBE Contact Name & Reference #	Telephone Number () - ext.	Fax Number () -	E-mail (if available)
Street Address, City, State, and Zip Code			

☐ DVBE was selected and is listed on the GSPD-05-105 ☐ DVBE not selected for the following business reasons:

Date Contacted / /	DVBE Company Name		
DVBE Contact Name & Reference #	Telephone Number () - ext.	Fax Number () -	E-mail (if available)
Street Address, City, State, and Zip Code			

☐ DVBE was selected and is listed on the GSPD-05-105 ☐ DVBE not selected for the following business reasons:

DVBE Program Requirements Supplier Checklist (Rev. 2-28-2005)

Please do not submit this checklist with your bid. It is provided for your use only. Checking every box of your elected compliance option does not guarantee that your bid will be deemed compliant.

☐ **OPTION A: COMMITMENT TO DVBE AGREEMENT PARTICIPATION**

- ☐ STD. 840 included with bid
 - ☐ Designated the Commitment Option in Section A – Checked the first box of the form STD. 840
 - ☐ Bidder Declaration form GSPD-05-105 completed and included with bid
 - ☐ Proposed DVBE participation meets the 3% requirement (unless a different percentage is specified)
-

☐ **OPTION B: GOOD FAITH EFFORT (GFE)**

- ☐ STD. 840 included with bid
 - ☐ Designated the GFE Option in Section A – checked the second box of the form STD. 840
 - ☐ Bidder Declaration form GSPD-05-105 completed and included with bid (any participation obtained is identified on the form)
 - ☐ (Step 1) Contacted the Awarding Department and listed the contact information and results
 - ☐ (Step 2) Contacted Other State agency (Office of Small Business and DVBE Services) and listed the contact and results – if a DVBE search was conducted online, included a screen print with bid
 - ☐ (Step 2) Searched the Federal U.S. Small Business Administration (SBA) using the Central Contractor Registration (CCR) on-line database, noted the results and included a screen print with bid
 - ☐ (Step 2) Contacted Local DVBE Organization(s) and listed the contact and results – if a DVBE search was conducted online, included a screen print with bid
 - ☐ (Step 3) Advertised – IF NOT WAIVED IN THE SOLICITATION
 - Listed full information for the advertisement(s) and publication(s)
 - At least 2 ads (one in a trade publication and one in a DVBE focus publication); **OR** 1 ad in one approved dual-purpose publication (for approved publications, see the Resource Packet at www.dgs.ca.gov/smbus)
 - Attached a copy of the advertisement(s) and affidavit(s) of publication
 - The advertisements were published at least 14 days prior to the bid due date (or lesser time as specified)
 - The advertisements included required contact information
 - ☐ (Step 4) Listed on STD. 840 all DVBEs contacted that were not selected to perform as subcontractors
 - Attached copies of the invitations sent to DVBEs
 - Invitations included the required contact information
 - Attached copies of the delivery confirmations for invitations to DVBEs (e.g. mail receipts, fax confirmations, etc.)
 - ☐ (Step 5) Listed the business reasons for non-selection of DVBEs contacted
-

☐ **OPTION C: BUSINESS UTILIZATION PLAN (BUP)**

- ☐ **Prior to the bid due date** – Submitted a BUP to DGS-PD and received approval
 - ☐ STD. 840 included with bid
 - ☐ Designated the BUP Option in Section A – Checked the third box of the form STD. 840
 - ☐ Attached a copy of the BUP Approval letter from DGS-PD
 - ☐ Bidder Declaration form GSPD-05-105 completed and included with bid
-

ATTACHMENT 6

PAYEE DATA RECORD (STD 204)

STD. 204 (Rev. 6-2003)

26a

PAYEE DATA RECORD

STD. 204 (Rev. 6-2003) (REVERSE)

1	<u>Requirement to Complete Payee Data Record, STD. 204</u> A completed Payee Data Record, STD. 204, is required for payments to all non-governmental entities and will be kept on file at each State agency. Since each State agency with which you do business must have a separate STD. 204 on file, it is possible for a payee to receive this form from various State agencies. Payees who do not wish to complete the STD. 204 may elect to not do business with the State. If the payee does not complete the STD. 204 and the required payee data is not otherwise provided, payment may be reduced for federal backup withholding and nonresident State income tax withholding. Amounts reported on Information Returns (1099) are in accordance with the Internal Revenue Code and the California Revenue and Taxation Code.								
2	Enter the payee's legal business name. Sole proprietorships must also include the owner's full name. An individual must list his/her full name. The mailing address should be the address at which the payee chooses to receive correspondence. Do not enter payment address or lock box information here.								
3	Check the box that corresponds to the payee business type. Check only one box. Corporations must check the box that identifies the type of corporation. The State of California requires that all parties entering into business transactions that may lead to payment(s) from the State provide their Taxpayer Identification Number (TIN). The TIN is required by the California Revenue and Taxation Code Section 18646 to facilitate tax compliance enforcement activities and the preparation of Form 1099 and other information returns as required by the Internal Revenue Code Section 6109(a). The TIN for individuals and sole proprietorships is the Social Security Number (SSN). Only partnerships, estates, trusts, and corporations will enter their Federal Employer Identification Number (FEIN).								
4	<u>Are you a California resident or nonresident?</u> A corporation will be defined as a "resident" if it has a permanent place of business in California or is qualified through the Secretary of State to do business in California. A partnership is considered a resident partnership if it has a permanent place of business in California. An estate is a resident if the decedent was a California resident at time of death. A trust is a resident if at least one trustee is a California resident. For individuals and sole proprietors, the term "resident" includes every individual who is in California for other than a temporary or transitory purpose and any individual domiciled in California who is absent for a temporary or transitory purpose. Generally, an individual who comes to California for a purpose that will extend over a long or indefinite period will be considered a resident. However, an individual who comes to perform a particular contract of short duration will be considered a nonresident. Payments to all nonresidents may be subject to withholding. Nonresident payees performing services in California or receiving rent, lease, or royalty payments from property (real or personal) located in California will have 7% of their total payments withheld for State income taxes. However, no withholding is required if total payments to the payee are \$1,500 or less for the calendar year. For information on Nonresident Withholding, contact the Franchise Tax Board at the numbers listed below: <table border="0"> <tr> <td>Withholding Services and Compliance Section:</td> <td>1-888-792-4900</td> <td>E-mail address:</td> <td>wscs.gen@ftb.ca.gov</td> </tr> <tr> <td>For hearing impaired with TDD, call:</td> <td>1-800-822-6268</td> <td>Website:</td> <td>www.ftb.ca.gov</td> </tr> </table>	Withholding Services and Compliance Section:	1-888-792-4900	E-mail address:	wscs.gen@ftb.ca.gov	For hearing impaired with TDD, call:	1-800-822-6268	Website:	www.ftb.ca.gov
Withholding Services and Compliance Section:	1-888-792-4900	E-mail address:	wscs.gen@ftb.ca.gov						
For hearing impaired with TDD, call:	1-800-822-6268	Website:	www.ftb.ca.gov						
5	Provide the name, title, signature, and telephone number of the individual completing this form. Provide the date the form was completed.								
6	This section must be completed by the State agency requesting the STD. 204.								
	<u>Privacy Statement</u> Section 7(b) of the Privacy Act of 1974 (Public Law 93-579) requires that any federal, State, or local governmental agency, which requests an individual to disclose their social security account number, shall inform that individual whether that disclosure is mandatory or voluntary, by which statutory or other authority such number is solicited, and what uses will be made of it. It is mandatory to furnish the information requested. Federal law requires that payment for which the requested information is not provided is subject to federal backup withholding and State law imposes noncompliance penalties of up to \$20,000. You have the right to access records containing your personal information, such as your SSN. To exercise that right, please contact the business services unit or the accounts payable unit of the State agency(ies) with which you transact that business. All questions should be referred to the requesting State agency listed on the bottom front of this form.								

ATTACHMENT 7

CCC 307 CERTIFICATION

CERTIFICATION

I, the official named below, CERTIFY UNDER PENALTY OF PERJURY that I am duly authorized to legally bind the prospective Contractor to the clause(s) listed below. This certification is made under the laws of the State of California.

<i>Contractor/Bidder Firm Name (Printed)</i>		<i>Federal ID Number</i>
<i>By (Authorized Signature)</i>		
<i>Printed Name and Title of Person Signing</i>		
<i>Date Executed</i>	<i>Executed in the County of</i>	

CONTRACTOR CERTIFICATION CLAUSES

1. STATEMENT OF COMPLIANCE: Contractor has, unless exempted, complied with the nondiscrimination program requirements. (Gov. Code §12990 (a-f) and CCR, Title 2, Section 8103) (Not applicable to public entities.)

2. DRUG-FREE WORKPLACE REQUIREMENTS: Contractor will comply with the requirements of the Drug-Free Workplace Act of 1990 and will provide a drug-free workplace by taking the following actions:

- a. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.
- b. Establish a Drug-Free Awareness Program to inform employees about:
 - 1) the dangers of drug abuse in the workplace;
 - 2) the person's or organization's policy of maintaining a drug-free workplace;
 - 3) any available counseling, rehabilitation and employee assistance programs; and,
 - 4) penalties that may be imposed upon employees for drug abuse violations.
- c. Every employee who works on the proposed Agreement will:
 - 1) receive a copy of the company's drug-free workplace policy statement; and,
 - 2) agree to abide by the terms of the company's statement as a condition of employment on the Agreement.

Failure to comply with these requirements may result in suspension of payments under the Agreement or termination of the Agreement or both and Contractor may be ineligible for award of any future State agreements if the department determines that any of the following has occurred: the Contractor has made false certification, or violated the

certification by failing to carry out the requirements as noted above. (Gov. Code §8350 et seq.)

3. NATIONAL LABOR RELATIONS BOARD CERTIFICATION: Contractor certifies that no more than one (1) final unappealable finding of contempt of court by a Federal court has been issued against Contractor within the immediately preceding two-year period because of Contractor's failure to comply with an order of a Federal court, which orders Contractor to comply with an order of the National Labor Relations Board. (Pub. Contract Code §10296) (Not applicable to public entities.)

4. CONTRACTS FOR LEGAL SERVICES \$50,000 OR MORE- PRO BONO REQUIREMENT: Contractor hereby certifies that contractor will comply with the requirements of Section 6072 of the Business and Professions Code, effective January 1, 2003.

Contractor agrees to make a good faith effort to provide a minimum number of hours of pro bono legal services during each year of the contract equal to the lessor of 30 multiplied by the number of full time attorneys in the firm's offices in the State, with the number of hours prorated on an actual day basis for any contract period of less than a full year or 10% of its contract with the State.

Failure to make a good faith effort may be cause for non-renewal of a state contract for legal services, and may be taken into account when determining the award of future contracts with the State for legal services.

5. EXPATRIATE CORPORATIONS: Contractor hereby declares that it is not an expatriate corporation or subsidiary of an expatriate corporation within the meaning of Public Contract Code Section 10286 and 10286.1, and is eligible to contract with the State of California.

6. SWEATFREE CODE OF CONDUCT:

a. All Contractors contracting for the procurement or laundering of apparel, garments or corresponding accessories, or the procurement of equipment, materials, or supplies, other than procurement related to a public works contract, declare under penalty of perjury that no apparel, garments or corresponding accessories, equipment, materials, or supplies furnished to the state pursuant to the contract have been laundered or produced in whole or in part by sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor, or with the benefit of sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor. The contractor further declares under penalty of perjury that they adhere to the Sweatfree Code of Conduct as set forth on the California Department of Industrial Relations website located at www.dir.ca.gov, and Public Contract Code Section 6108.

b. The contractor agrees to cooperate fully in providing reasonable access to the contractor's records, documents, agents or employees, or premises if reasonably required by authorized officials of the contracting agency, the Department of Industrial Relations,

or the Department of Justice to determine the contractor's compliance with the requirements under paragraph (a).

7. DOMESTIC PARTNERS: For contracts over \$100,000 executed or amended after January 1, 2007, the contractor certifies that contractor is in compliance with Public Contract Code section 10295.3.

DOING BUSINESS WITH THE STATE OF CALIFORNIA

The following laws apply to persons or entities doing business with the State of California.

1. CONFLICT OF INTEREST: Contractor needs to be aware of the following provisions regarding current or former state employees. If Contractor has any questions on the status of any person rendering services or involved with the Agreement, the awarding agency must be contacted immediately for clarification.

Current State Employees (Pub. Contract Code §10410):

- 1). No officer or employee shall engage in any employment, activity or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any state agency, unless the employment, activity or enterprise is required as a condition of regular state employment.
- 2). No officer or employee shall contract on his or her own behalf as an independent contractor with any state agency to provide goods or services.

Former State Employees (Pub. Contract Code §10411):

- 1). For the two-year period from the date he or she left state employment, no former state officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements or any part of the decision-making process relevant to the contract while employed in any capacity by any state agency.
- 2). For the twelve-month period from the date he or she left state employment, no former state officer or employee may enter into a contract with any state agency if he or she was employed by that state agency in a policy-making position in the same general subject area as the proposed contract within the 12-month period prior to his or her leaving state service.

If Contractor violates any provisions of above paragraphs, such action by Contractor shall render this Agreement void. (Pub. Contract Code §10420)

Members of boards and commissions are exempt from this section if they do not receive payment other than payment of each meeting of the board or commission, payment for preparatory time and payment for per diem. (Pub. Contract Code §10430 (e))

2. LABOR CODE/WORKERS' COMPENSATION: Contractor needs to be aware of the provisions which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions, and Contractor affirms to comply with such provisions before commencing the performance of the work of this Agreement. (Labor Code Section 3700)

3. AMERICANS WITH DISABILITIES ACT: Contractor assures the State that it complies with the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA. (42 U.S.C. 12101 et seq.)

4. CONTRACTOR NAME CHANGE: An amendment is required to change the Contractor's name as listed on this Agreement. Upon receipt of legal documentation of the name change the State will process the amendment. Payment of invoices presented with a new name cannot be paid prior to approval of said amendment.

5. CORPORATE QUALIFICATIONS TO DO BUSINESS IN CALIFORNIA:

a. When agreements are to be performed in the state by corporations, the contracting agencies will be verifying that the contractor is currently qualified to do business in California in order to ensure that all obligations due to the state are fulfilled.

b. "Doing business" is defined in R&TC Section 23101 as actively engaging in any transaction for the purpose of financial or pecuniary gain or profit. Although there are some statutory exceptions to taxation, rarely will a corporate contractor performing within the state not be subject to the franchise tax.

c. Both domestic and foreign corporations (those incorporated outside of California) must be in good standing in order to be qualified to do business in California. Agencies will determine whether a corporation is in good standing by calling the Office of the Secretary of State.

6. RESOLUTION: A county, city, district, or other local public body must provide the State with a copy of a resolution, order, motion, or ordinance of the local governing body which by law has authority to enter into an agreement, authorizing execution of the agreement.

7. AIR OR WATER POLLUTION VIOLATION: Under the State laws, the Contractor shall not be: (1) in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district; (2) subject to cease and desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of federal law relating to air or water pollution.

8. PAYEE DATA RECORD FORM STD. 204: This form must be completed by all contractors that are not another state agency or other governmental entity.

ATTACHMENT 8**Control of Work Product Agreement**

1. _____ (Name of firm or individual) hereby agrees to assign to Department of Industrial Relations, Commission on Health and Safety and Workers' Compensation (DIR /CHSWC) as the sole and exclusive owner, any and all rights Contractor now has, or may have in the future, to own, copyright, patent, publish, duplicate, control, sell, license, distribute, present, demonstrate, broadcast, transmit via any electronic medium, record via videotape, CD ROM or other media, and use the work product produced by Contractor under this Agreement, whether in print or electronic media format, and described as the Evaluation of the Effectiveness of CA's IIPP and Compliance Officer's Inspections and any portion thereof. DIR/CHSWC may at its option assign publication permission to the Contractor on the following conditions:

- (1) The Contractor agrees not to publish articles or other literature until the project is completed and submitted to DIR/CHSWC;
 - (2) In any such publication, CHSWC support for the study will be acknowledged in a prominent place on the first page of the article with the author's name(s);
 - (3) The Contractor provides a disclaimer stating that any opinions/conclusions are those of the Contractor and not necessarily those of DIR/CHSWC;
 - (4) DIR/CHSWC previews the publication so as to be satisfied with the accuracy of reporting.
2. The parties agree that as between Contractor and DIR/CHSWC, DIR/CHSWC shall retain the sole and exclusive ownership and right to control, use, sell, copyright, patent, publish, duplicate, broadcast or distribute, in any print, video, CD ROM, electronic or other media, the work product described as the Evaluation of the Effectiveness of CA's IIPP and Compliance Officer's Inspections and all portions of the work product, produced by Contractor in satisfaction of Contractor's performance under the terms of this Agreement.
3. The parties further agree that Contractor shall not use, publish, duplicate, sell, present, demonstrate or distribute the work product described as the Evaluation of the Effectiveness of CA's IIPP and Compliance Officer's Inspections, or any part thereof.
4. The parties agree that Contractor shall not use the work product described as the Evaluation of the Effectiveness of CA's IIPP and Compliance Officer's Inspections of, or any portion thereof, developed for or presented to DIR/CHSWC in satisfaction of Contractor's performance under this Agreement, in any commercial course offered by Contractor, whether or not a fee is charged for such a course, without obtaining the prior written approval of the Executive Officer of the CHSWC.
5. The parties agree that the work products described in this Agreement are "works for hire" within the meaning of the Copyright Law Revision Act of 1978 (17 U.S.C. § 101 et seq.), and DIR/CHSWC shall retain the sole and exclusive right to copyright, own, control, distribute, publish, duplicate, or sell such written material.
6. Contractor agrees that upon receipt of inquiries from parties other than the CHSWC about the manner, method or timing of work to be done under this Agreement, Contractor will forward all such inquiries to Christine Baker or designee. Contractor further agrees it will not issue letters, memos or reports about the work products produced under this Agreement during the term of this Agreement until Contractor receives instructions from the CHSWC about how to respond.
7. Before expiration of three years from the date of completion of this contract, and before changing the form of or destroying any data, Contractor shall notify the Executive Officer of the CHSWC of any such contemplated action and the CHSWC may, within thirty (30) days after notification, determine whether it desires the data to be preserved. If the DIR/CHSWC so elects, the expense of further preserving data shall be paid for by the CHSWC and will be the subject of a separate contract. Contractor agrees that the DIR/CHSWC may, at its own expense, have reasonable access to data throughout the time during which the data is preserved.

Printed Name and Title

Authorized Signature

Date

ATTACHMENT 9 – DARFUR CONTRACTING ACT

Pursuant to Public Contract Code section 10478, if a bidder or proposer currently or within the previous three years has had business activities or other operations outside of the United States, it must certify that it is not a “scrutinized” company as defined in Public Contract Code section 10476.

Therefore, to be eligible to submit a bid or proposal, please complete only one of the following three paragraphs (via initials for Paragraph # 1 or Paragraph # 2, or via initials and certification for Paragraph # 3):

1. _____
 Initials We do not currently have, or we have not had within the previous three years, business activities or other operations outside of the United States.

OR

2. _____
 Initials We are a scrutinized company as defined in Public Contract Code section 10476, but we have received written permission from the Department of General Services (DGS) to submit a bid or proposal pursuant to Public Contract Code section 10477(b). A copy of the written permission from DGS is included with our bid or proposal.

OR

3. _____
 Initials
 + certification We currently have, or we have had within the previous three years, business activities or other operations outside of the United States, but we certify below that we are not a scrutinized company as defined in Public Contract Code section 10476.
 below

CERTIFICATION For # 3.

I, the official named below, CERTIFY UNDER PENALTY OF PERJURY that I am duly authorized to legally bind the prospective proposer/bidder to the clause listed above in # 3. This certification is made under the laws of the State of California.

Proposer/Bidder Firm Name (Printed)		Federal ID Number
By (Authorized Signature)		
Printed Name and Title of Person Signing		
Date Executed	Executed in the County and State of	

YOUR BID OR PROPOSAL WILL BE DISQUALIFIED UNLESS YOUR BID OR PROPOSAL INCLUDES THIS FORM WITH EITHER PARAGRAPH # 1 OR # 2 INITIALED OR PARAGRAPH # 3 INITIALED AND CERTIFIED.

1. This Agreement is entered into between the State Agency and the Contractor named below:

STATE AGENCY'S NAME

DEPARTMENT OF INDUSTRIAL RELATIONS

CONTRACTOR'S NAME

2. The term of this Agreement is: May 6, 2009 through July 6, 2010

3. The maximum amount of this Agreement is:

4. The parties agree to comply with the terms and conditions of the following exhibits which are by this reference made a part of the Agreement.

Exhibit A - Scope of Work 5 page(s)

Exhibit B - Budget Detail and Payment Provisions 2 page(s)

Exhibit C*- General Terms and Conditions GTC-307

Exhibit D - Special Terms and Conditions 2 page(s)

Attachment X - Control of Work Product

Attachment X - Contractor's Proposal & Cost Proposal

Items shown with an Asterisk (), are hereby incorporated by reference and made part of this agreement as if attached hereto.
These documents can be viewed at www.ols.dgs.ca.gov/Standard+Language*

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

CONTRACTOR

CONTRACTOR'S NAME (If other than an individual, state whether a corporation, partnership, etc.)

BY (Authorized Signature)

DATE SIGNED (Do not type)



PRINTED NAME AND TITLE OF PERSON SIGNING

ADDRESS

STATE OF CALIFORNIA

AGENCY NAME

DEPARTMENT OF INDUSTRIAL RELATIONS

BY (Authorized Signature)

DATE SIGNED (Do not type)



PRINTED NAME AND TITLE OF PERSON SIGNING

Aurora Tison, Staff Services Manager

ADDRESS

Division of Administration, Contracts Unit
455 Golden Gate Avenue, 9th Floor, San Francisco CA 94102

*California Department of General
Services Use Only*

☐ Exempt per:

EXHIBIT A

A. Scope of Work

This agreement is entered into by and between the Department of Industrial Relations (DIR)/ Commission on Health and Safety and Workers' Compensation (CHSWC) and the Contractor. The Contractor shall conduct a study on the effectiveness of OSHA's injury and illness prevention program (IIPP) standard and whether some compliance officers are especially good at reducing workplace injury and illness rates.

The scope of work and Deliverables are set out below:

Background

The Cal/OSHA Program is responsible for enforcing California laws and regulations pertaining to workplace health and safety and for providing assistance to employers and workers about workplace safety and health issues.

The Cal/OSHA Enforcement Unit conducts inspections of California workplaces based on worker complaints, accident reports and high hazard industries. There are 22 Cal/OSHA Enforcement Unit district offices located throughout the State of California. Inspections are conducted by Cal/OSHA safety engineers and industrial hygienists from district offices throughout California. Complaint, referral and accident inspections, as well as scheduled (programmed) compliance inspections, are conducted by the district offices. In Fiscal Year 2006-07, 9,039 inspections were conducted.

There is no research currently on whether some compliance officers are more effective than others at reducing workplace injuries and illness rates. There is some information from earlier studies that suggests that there may be important variations in the effectiveness of inspections that depend on who conducts them or how they are conducted. Gray and Mendeloff (2005) found that health inspections were more effective than safety inspections in preventing injuries. This unexpected finding may reflect that health inspections involve more time on-site than safety inspections do and thus give the compliance officer more time to observe the workplace and that health inspections are conducted by industrial hygienists, who have more professional training. A study by Huber (2007) found that the number of violations cited was smaller for inexperienced compliance officers, although the effect was not statistically significant.

The most recent study (Haviland et al. 2008) of the impact of inspections on injury and illness rates, covering the years from 1999 through 2006 in Pennsylvania, estimated that the average effect in manufacturing was approximately a 20% reduction in the rate of lost-time injuries over the two years

after the year of the inspection. This reduction was seen, however, only when the inspection levied penalties, an outcome that generally accompanies citations for serious violations. A majority of inspections did levy penalties.

As part of the inspection process, inspectors review employers' compliance with required programs such as the IIPP. The requirement of the IIPP program is specified in Title 8 CCR Section 3203 of the General Industry Safety Orders which took effect in July 1991. The regulations required all employers in California to establish an Injury and Illness Prevention Program (IIPP). Having an IIPP is considered the first step towards creating a system for identifying, correcting, and preventing workplace safety and health hazards. Section 3203 has been the most frequently cited standard in general industry in California ever since it was promulgated.

Other Labor code sections and regulations address specific industrial safety and health hazards and prevention requirements by type of workplace, type of equipment, environmental contexts and industry sectors. The Division of Occupational Safety and Health (DOSH) enforces the laws on IIPPs and safety standards through various means, including inspections and citations. Data on occupational injuries and illnesses can be used to measure or test the impact of safety and health standards, including enforcement efforts.

California is one of several states that has adopted a standard mandating that firms establish safety and health programs. These programs generally include measures to identify risks, investigate the causes of injuries that occur, provide appropriate training, and communicate with employees about the risks they face. In 1998, federal OSHA took initial steps to promulgate a federal standard, but stopped short. A recent review by RAND¹ found an absence of good evidence about the effectiveness of these safety and health program mandates.

Objective and Scope of the Study

The purpose of this study is to identify:

- What is the effect of the adoption and enforcement of the IIPP regulations?
- Which of the elements of the IIPP standard may be most effective?
- Do firms that comply with Section 3203 have lower injury and illness rates (and better experience modification factors) than similar firms which do not?
- Does compliance with Section 3203 lead to a reduction in injury and illness rates?

¹ Tom LaTourrette and John Mendeloff, "Mandatory Workplace Safety and Health Programs," RAND Technical Report 604 (2008).

- Which provisions, if any, of Section 3203 are most closely associated with reductions in injury rates? The rule includes 7 substantive provisions, each of which can be cited separately.
- Is there any relation between the stringency of enforcement of Section 3203 and reductions in injury rates?
- Controlling for other factors that affect inspection outcomes, how do the reductions in injury and illness rates vary depending on the particular compliance officer who carries out the inspection?
- What characteristics of the more successful compliance officers and their inspection activities distinguish them from other compliance officers?
- What are the policy implications for the selection, training, and incentives for compliance officers?

Deliverables

1. The contractor shall provide monthly written progress reports, beginning in July 6, 2009, on the fifth working day of the month, until completion of the project, a draft study report on or before October 5, 2010, and a final study report on or before December 4, 2010, and presentations completed on or before February 4, 2011.

The progress reports are to address the progress made, findings to date, problems encountered by the contractor, and a comparison of estimated versus actual project costs to date, by task. Deviation of more than ten percent (10%) from projected costs must be requested in advance by the contractor. Deviations exceeding ten percent (10%) that were not approved in advance may result in contractual non-compliance measures being taken. Only internal budgetary adjustments will be permitted; the total cost cannot exceed the cost specified in the contract.

The monthly progress reports are designed to provide a formal vehicle for written communication from the contractor to CHSWC prior to the issuance of the final report. They will be superseded in their entirety upon issuance of the final report.

Ten copies of all reports should be forwarded to:

Christine Baker, Executive Officer
Commission on Health and Safety and Workers' Compensation
Department of Industrial Relations
1515 Clay Street, Room 901
Oakland, California 94612

2. In addition to the written reports required, the contractor will be required to provide monthly oral briefings to Christine Baker, Executive Officer of the

Commission on Health and Safety and Workers' Compensation or her designee(s), commencing after the third week of work.

3. After the issuance of the final study report, the contractor should allow adequate time to formally present final findings and recommendations to CHSWC, and to the Legislature as requested, not to exceed 5 presentations.

The final study report must include, at minimum, detailed information on the topics discussed under Objective and Scope of the Study and in Work Approach.

Monitoring of Contract Performance

1. Christine Baker, Executive Officer of the Commission on Health and Safety and Workers' Compensation (or her designees) is designated the Departmental Project Coordinator. The Project Coordinator will have the overall joint responsibility to monitor and evaluate the performance of the Contractor in conducting the study of the effectiveness of California's IIPP and compliance officers' inspections for CHSWC under this agreement.
2. The Project Coordinator will review all reports for technical quality and compliance with the contract terms. Specifications for revisions necessary to remove discrepancies will be set forth by the Project Coordinator in writing and are binding on the contractor insofar as the specifications do not exceed the scope of the work required in the contract. The contractor must revise and deliver to the Project Coordinator within fifteen (15) working days any product deemed unacceptable by the Project Coordinator.
3. Any product submitted a second time and found unacceptable by the Project Coordinator will be rejected and either: (1) the cost of revising the product to make it acceptable to the Project Coordinator will be absorbed by the contractor; (2) the cost of work not satisfactorily performed will be withheld; or (3) the contract will be canceled for non-performance. A total of ten percent (10%) of the total contract amount will be withheld pending submission and acceptance of the final report. This amount will be paid within 30 days of report submission upon receipt of an appropriate invoice, unless written notification of non-compliance is provided by the Project Coordinator.
4. Any information developed for the purposes of this evaluation should remain in the public domain. However, there should be no individually identifiable information in the results of this study. The contractor is required to obtain prior approval from the Project Coordinator before changing project management personnel or professional/technical staff members. The qualifications of proposed staff replacements must be reviewed and approved by the Project Coordinator prior to the assignment.

B. Representatives

The project representatives for this agreement will be:

a. CHSWC Contact:

Department of Industrial Relations
Commission on Health and Safety and Workers' Compensation
(CHSWC)
Attn: Christine Baker
1515 Clay Street, Room 901
Oakland, CA 94612
Phone #: (510) 622-3959 Fax#: (510) 622-3265

b. DIR Contract Unit Contact:

Department of Industrial Relations
Division of Administration – Contracts Unit
Attn: Aurora Tison, Contract Manager
455 Golden Gate Avenue, 9th Floor
San Francisco, CA 94102
Phone #: (415) 703-4912 Fax#: (415) 703-2009

c. Contractor Contact:

Name of Contractor
Attn: Contact Representative
Street Address
City, State, Zip Code
Phone#: Fax#:

EXHIBIT B

BUDGET DETAIL AND PAYMENT PROVISIONS

1. Invoicing and Payment

- a. For services satisfactorily rendered according to the Scope of Work in Exhibit A and the Contractor's Proposal Attachment x entitled "xxxxxxx" and upon receipt and approval of the invoices, the State agrees to compensate the Contractor in arrears in accordance with the provisions of this agreement and the cost breakdown specified in Attachment X, which is attached and incorporated herein and made a part of this agreement.
- b. Invoices shall include the Agreement Number and shall be submitted in triplicate not more frequently than monthly in arrears to:

Department of Industrial Relations
Commission on Health and Safety and Workers' Compensation
Attn: Christine Baker, Executive Officer
1515 Clay Street, Room 901
Oakland, CA 94612

- c. Total amount payable under this contract shall not exceed xxxxxx dollars and xxxxxx cents (\$xxxxxx).
- d. The term of this agreement is from May 6, 2009 to July 6, 2010.
- e. Ten Percent 10% Withholding - In accordance with the requirements set forth in the State Contracting Manual, Section 7.33.B, the State may withhold, from the invoiced payment amount to the Contractor, an amount equal to ten percent (10%) of that payment. Such retained amount shall be held by the State and only released to the Contractor upon the State's staff determination that the Contractor has satisfactorily completed all of the required services as itemized on the invoice. If it is determined that an amount is withheld, it shall be released pending final completion of the Agreement.

2. Budget Contingency Clause

- A. It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be of no further force and effect. In this event, the State shall have no liability to pay any funds whatsoever to Contractor or to furnish any other considerations under this Agreement and Contractor shall not be obligated to perform any provision of this Agreement.

B. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the State shall have the option to either cancel this Agreement with no liability occurring to the State, or offer an agreement amendment to Contractor to reflect the reduced amount.

3. **Prompt Payment Clause**

Payment will be made in accordance with, and within the time specified in, Government Code 4.5, commencing with Section 927.

EXHIBIT C

GTC 307 is hereby incorporated by reference and made part of this agreement as if attached hereto. This document can be viewed at www.ols.dgs.ca.gov/.

EXHIBIT D

SPECIAL TERMS AND CONDITIONS

1. TERMINATION WITHOUT CAUSE: The State reserves the right to terminate this agreement subject to 30 days written notice to the Contractor. In the event of termination, Contractor shall be paid for all allowable expenses incurred up to the date of termination. Contractor may submit a written request to terminate this agreement only if the State should substantially fail to perform its responsibilities as provided herein.

2. SUBCONTRACTORS: The Contractor shall submit any subcontractors to the State for approval prior to implementation. Nothing contained in this Agreement or otherwise, shall create any contractual relation between the State and any subcontractors, and no subcontract shall relieve the Contractor of his responsibilities and obligations hereunder. The Contractor agrees to be as fully responsible to the State for the acts and omissions of its subcontractors and of persons either directly or indirectly employed by any the Contractor. The Contractor's obligation to pay its subcontractors is an independent obligation from the State's obligation to make payments to the Contractor. As a result, the State shall have no obligation to pay or to enforce the payment of any moneys to any subcontractor.

3. AMENDMENT: Any change to budget amounts within a category that exceeds 10 percent of the amount budgeted for that category requires an amendment. Any amendment must be executed before the expiration of the contract. No final amendment request may be submitted by the Contractor to the State less than 30 days before the expiration of the contract.

4. EVALUATION OF CONTRACTOR: Performance of the Contractor under this Agreement will be evaluated. The evaluation shall be prepared on Contract/Contractor Evaluation Sheet (STD 4), and maintained in the Agreement file. For consultant agreements, a copy of the evaluation will be sent to the Department of General Services, Office of Legal Services, if it is negative and over \$5,000.

5. TRAVEL EXPENSES: Travel expenses and per diem rates are set at the rate specified by the Department of Personnel Administration for similar employees or verification supplied that such rates are not available to the contractor per State Contracting Manual section 7.30.

6. DISPUTES RESOLUTION: If Contractor believes that there is a dispute or grievance between Contractor and the State arising out of or relating to this contract, Contractor shall first discuss and attempt to resolve the issue informally with the program's contract coordinator. If the issue cannot be resolved at this level, Contractor shall follow the following procedures:

- A. Contractor shall submit in writing, a grievance report together with any evidence to the Department's Contract Manager. The grievance report must state the issues in the dispute, the legal authority, or other basis for the Contractor's position and the remedy sought. Within ten (10) working days of receipt of the

written grievance report from the Contractor, the Department's Contract Manager shall make a determination on the problem, and shall respond in writing to the Contractor indicating the decision and reasons therefor. Should the Contractor disagree with the Department Contract Manager's decision, Contractor may appeal to the next level, following the procedure in "Disputes", paragraph 3, listed below.

- B. Contractor must submit a letter of appeal to the Department's Director explaining why the Department Contract Manager's decision is unacceptable. The letter must include, as attachments, copies of the Contractor's original grievance report, evidence originally submitted, and response from the Department's Contract Manager. Contractor's letter of appeal must be submitted within ten (10) working days of the receipt of the Department Contract Manager's written decision. The Director or designee shall, within twenty (20) working days of receipt of Contractor's letter of appeal, review the issues raised and shall render a written decision to the Contractor. The decision of the Director or his/her designee shall be final.

7. **PURCHASED EQUIPMENT:** Any equipment purchased in order to complete this project will become the property of DIR upon completion of the contract and must be delivered to Project Coordinator within 15 days after completion. Final invoice will not be paid until such equipment is delivered.

- 8*. **DVBE REPORTING REQUIREMENTS:** A 3% Disabled Veterans Business Enterprise (DVBE participation goal has been established for this Agreement. Attached to and made a part hereof (page 41) is the DVBE Participation Reporting Form, which the Contractor will use to submit quarterly reports on DVBE participation. The Contractor will list at the end of each quarter the dates of invoices submitted, amounts of invoices submitted, amounts of invoices paid to the Disabled Veterans Business Enterprise(s), and the DVBE percentage from invoice totals. The completed DVBE Participation Reporting Form will be submitted at the end of each quarter to the following person:

Department of Industrial Relations
Division of Administration-Contracts Unit
Attn: Aurora Tison, Contracts Manager
455 Golden Gate Avenue, 9th Floor
San Francisco, CA 94102

* If Applicable.

Name of Contractor:
Name of DVBE Contractor:
Contract Number:

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