

# STATE OF ILLINOIS

## SOLICITATION DOCUMENT

### MODIFICATION & EMPLOYER RELATED SERVICES / REFERENCE # 2010-55-002-RFP

The Illinois Department of Healthcare and Family Services (AGENCY) is requesting Offers (bids / proposals) from responsible Vendors to meet the State's needs. Below is a brief description of our needs with detailed requirements in subsequent sections of this solicitation. If you are interested and able to meet these requirements, please submit an Offer.

We are issuing this solicitation in the following form and you must take that into account when reading and responding:

- |                                     |                                                            |
|-------------------------------------|------------------------------------------------------------|
| <input type="checkbox"/>            | Invitation for Bids                                        |
| <input checked="" type="checkbox"/> | Request for Proposals                                      |
| <input type="checkbox"/>            | Request for Proposals (Professional and Artistic Services) |

#### Brief Description:

The Illinois Department of Healthcare and Family Services (Agency, HFS, or Department) is seeking a qualified vendor who meets the Department's specifications to provide the following services: Modification Reviews; Employer Related Services for Income Withholding, National Medical Support Notice (NMSN), Unemployment Insurance Benefits (UIB) and New Hire Reporting; Customer Service; Court Order Entry and Related Adjustments; Quality Control for Judicial Referrals; and Document Imaging services.

The vendor's proposal must also include separate proposals and prices for two additional services that, while not part of the RFP evaluation process, may or may not be included subsequent to the contract award.

#### The solicitation package consists of two parts:

Part A INSTRUCTIONS FOR SUBMITTING AND EVALUATING BIDS AND PROPOSALS: Part A consists of the following sections:

- |           |                                                                 |
|-----------|-----------------------------------------------------------------|
| SECTION 1 | INSTRUCTIONS, DATES, RESERVATIONS AND OTHER GENERAL INFORMATION |
| SECTION 2 | HOW WE WILL EVALUATE OFFERS                                     |
| SECTION 3 | SPECIFICATIONS / QUALIFICATIONS / STATEMENT OF WORK             |

These sections provide information necessary for submitting an Offer (a bid or proposal), set forth the basic legal and policy requirements associated with this solicitation and tell how we will evaluate Offers.

Part B OFFER RESPONSE FORMS: Part B consists of the following sections:

- |           |                            |
|-----------|----------------------------|
| SECTION 4 | OFFER TO STATE OF ILLINOIS |
| SECTION 5 | RESPONSIBILITY FORMS       |
| SECTION 6 | RESPONSIVENESS             |
| SECTION 7 | PRICE                      |
| SECTION 8 | CONTRACT                   |

Your response to Part B will constitute your Offer to the State and will provide us with information about you, what you will provide, your ability to perform and your price. We will evaluate this information as well as compliance with the Instructions.

In this document the State of Illinois will be referred to as "State", "Agency", "we" or "us". The person submitting an Offer will be referred to as "Vendor", "Contractor" or "You". "We" is used appropriate to the context.

Please read the entire solicitation package and submit your Offer for evaluation in accordance with all instructions.

*NON-DISCRIMINATION POLICY In compliance with the State and Federal Constitutions, the Illinois Human Rights Act, the U.S. Civil Rights Act, and Section 504 of the Federal Rehabilitation Act, the State of Illinois does not discriminate in employment, contracts, or any other activity.*

## SECTION 1 - INSTRUCTIONS, DATES, RESERVATIONS AND OTHER GENERAL INFORMATION

**1.0 PROJECT CONTACT:** If you have a question or suspect an error, you must immediately notify the Project Contact identified in this section. Do not discuss the solicitation or your Offer, directly or indirectly, with any State officer or employee other than the State Project Contact. Only written answers to questions shall be binding on the State. **Vendor questions are due no later than December 19, 2008 at 5:00 P.M..** Questions received after December 19, 2008 at 5:00 P.M. may be answered at the discretion of the Agency/Buyer. Written responses will be posted as Addendums to this RFP on the IPB.

|                       |                                             |            |              |
|-----------------------|---------------------------------------------|------------|--------------|
| Project Contact Name: | William Bobzien                             | Telephone: | 312.793.7443 |
| Agency:               | HFS – Division of Child Support Enforcement | Fax:       | 312.793.0878 |
| Address:              | 32 W. Randolph St., Room 1600               | TDD:       | 800.526.5812 |
|                       | Chicago, IL 60601                           |            |              |

**1.1 VENDOR CONFERENCE / SITE VISIT:** ☒ Yes ☐ No      **Mandatory Attendance:** ☒ Yes ☐ No

A Vendor Conference will held on Thursday, November 19, 2008, at 1:00 PM, at the Bloom Building, first floor conference room. The Bloom Building is located at 201 South Grand Ave. East, Springfield, IL 62763. Attendance at the Vendor Conference is mandatory. The Agency/Buyer will consider a Vendor's bid non-responsive if the Vendor does not attend this conference. You will be disqualified if you (incumbents included) do not attend, are not on time, leave early or fail to sign the attendance sheet. You must allow adequate time to accommodate security screenings at the site.

The purpose of the Vendor Conference is to discuss with prospective Vendors the work to be performed and allow prospective Vendors an opportunity to ask questions regarding the RFP. Oral discussions at the Vendor Conference will not be considered part of the RFP unless confirmed in writing by the Agency/Buyer and incorporated into this RFP. A CD containing all Appendix information referenced in this RFP will be distributed at the mandatory conference. The conference may be recorded. Questions asked at the conference that cannot be adequately answered during the conference may be deferred. A copy of the questions and answers will be posted on the Illinois Procurement Bulletin, which may be viewed at <http://www.purchase.state.il.us/>. Sign-in at the Vendor Conference is required. Vendors who have not attended this Vendor Conference, as evidenced by the sign-in sheet, will not have their bids considered.

**1.2 OFFER DUE DATE, TIME AND SUBMISSION LOCATION:**      Due Date: January 13, 2009      Time: 11:00 A.M.

|                                                       |                                                                        |
|-------------------------------------------------------|------------------------------------------------------------------------|
| <b>DELIVER OFFERS TO:</b>                             | <b><u>LABEL OUTSIDE OF ENVELOPE / CONTAINER:</u></b>                   |
| Illinois Department of Healthcare and Family Services | Modification & Employer Related Services / Reference # 2010-55-002-RFP |
| Attn: John Powell                                     | Due Date: January 13, 2009      Time: 11:00 A. M.                      |
| 509 South Sixth Street, 6th Floor                     | [Vendor Name & Address]                                                |
| Springfield, Illinois 62701                           |                                                                        |

We will open Offers on January 13, 2009 at 11:00 A.M. at the Delivery Location. Prior to the due date, you may mail or hand-deliver Offers, modifications, and withdrawals. We do not allow e-mail, fax, or other electronic submissions. We must physically receive submissions as specified; it is not sufficient to show you mailed or commenced delivery before the due date and time. We will not consider Offers, modifications or withdrawals submitted after the due date and time. All times are State of Illinois local times.

**1.3 NUMBER OF COPIES:** You must submit your offer in a sealed container. Within your offer container, you must submit the following: (1) a signed original and 14 copies of your proposal and 2 copies of your proposal on CDs in Microsoft Word 2000/2003 format. If you are requesting confidential treatment, you must make that request in the form and manner specified elsewhere in this solicitation; (2) a signed original and 1 copy of your Price proposal in a separate sealed envelope/container identified as "PRICE"; (3) an original and 1 copy of the BEP Utilization Plan and Letter of Intent in a separate sealed envelope/container identified as "BEP Utilization Plan" (see Section 1.8).

**1.4 OFFER FIRM TIME:** Your Offer must remain firm for 120 days from opening.

**1.5 SECURITY:** Bid Bond Not Applicable      Performance Bond Not Applicable.

|                                                       |                   |
|-------------------------------------------------------|-------------------|
| <b>1.6 PROTEST REVIEW OFFICE:</b>                     |                   |
| Illinois Department of Healthcare and Family Services | Ph: 217.557.5777  |
| Office of the State Purchasing Officer                | Fax: 217.557.6745 |
| 201 South Grand Avenue East, 2 <sup>nd</sup> Floor    | TDD: 800-526-5812 |
| Springfield, Illinois 62763                           |                   |

You may submit a written protest of our actions to the PROTEST REVIEW OFFICE following the requirements of the Standard Procurement Rules (44 Ill. Adm. Code 1.5550). We must physically receive the protest by noon of the seventh calendar day after you knew or should have known of the facts giving rise to the protest.

1.7 SMALL BUSINESS SET-ASIDE: ☐ Yes ☒ No. If "Yes" is marked, you must be certified by the Small Business Set-Aside Program at the time Offers are due in order for us to evaluate your Offer. For complete requirements and to certify your business in the Small Business Set-Aside Program, visit [http://www.sell2.illinois.gov/bep/Set\\_Aside.htm](http://www.sell2.illinois.gov/bep/Set_Aside.htm).

1.8 MINORITY, FEMALE AND PERSONS WITH DISABILITY SUBCONTRACTING: ☒ Yes ☐ No. If "Yes" is marked, this solicitation contains a goal to include businesses owned and controlled by minorities, females and persons with disabilities in the State's procurement and contracting processes. In addition to the number of copies requested above, you must submit an original and 1 copy of the Utilization Plan and Letter of Intent, sealed separately within the offer container. Failure to submit a Utilization Plan as instructed later in this solicitation will render the offer non-responsive. All questions regarding the subcontracting goal must be directed to the Supplier Diversity Manager at 312-814-1589 or [Nancy.Quoss@illinois.gov](mailto:Nancy.Quoss@illinois.gov). Subcontracting vendors must be certified by CMS as BEP vendors before the time of contract award. Go to [http://www.sell2.illinois.gov/bep/Business\\_Enterprise.htm](http://www.sell2.illinois.gov/bep/Business_Enterprise.htm) for complete requirements for BEP certification.

1.9 PUBLIC CONTRACTS NUMBER: (775 ILCS 5/2-105) If you do not have a Department of Human Rights' (DHR) Public Contracts Number or have not submitted a completed application to DHR for one before opening we may not be able to consider your Offer. Please contact DHR at 312-814-2431 or visit <http://www.state.il.us/dhr/index.htm> for forms and details.

1.10 OUT OF STATE COMPANIES: Non-Illinois Vendors must contact the Illinois Secretary of State (217-782-1834) regarding a Certificate of Authority to Transact Business in Illinois (805 ILCS 5/13). Application Form BCA 13.15 may be downloaded from [http://www.cyberdriveillinois.com/departments/business\\_services/publications\\_and\\_forms/bca.html](http://www.cyberdriveillinois.com/departments/business_services/publications_and_forms/bca.html).

1.11 ILLINOIS PROCUREMENT BULLETIN (Bulletin): We publish procurement information (including updates) in the electronic Bulletin (<http://www.purchase.state.il.us>). Procurement information may not be available in any other form or location. You are responsible for monitoring the Bulletin; we cannot be held responsible if you fail to receive the optional e-mail notices.

1.12 AWARD: We will post a notice to the Bulletin identifying the apparent awardee. The notice extends the Offer Firm Time until we sign a contract or determine not to sign a contract. We may accept or reject your Offer as submitted, or may require contract negotiations. If negotiations do not result in an acceptable agreement, we may reject your Offer and begin negotiations with another Vendor. Protested awards are not final and are subject to resolution of the protest.

1.13 PUBLIC RECORDS AND REQUESTS FOR CONFIDENTIAL TREATMENT: Offers become the property of the State and these and late submissions will not be returned. Your Offer will be open to the public under the Illinois Freedom of Information Act (FOIA) (5 ILCS 140) and other applicable laws and rules, unless you request in your Offer that we treat certain information as exempt. We will not honor requests to exempt entire Offers. You must show the specific grounds in FOIA or other law or rule that support exempt treatment. Regardless, we will disclose the successful Vendor's name, the substance of the Offer, and the price. If you request exempt treatment, you must submit an additional copy of the Offer with exempt information deleted. This copy must tell the general nature of the material removed and shall retain as much of the Offer as possible. You will be responsible for any costs or damages associated with our defending your request for exempt treatment. You agree the State may copy the Offer to facilitate evaluation, or to respond to requests for public records. You warrant that such copying will not violate the rights of any third party.

1.14 RESERVATIONS: You must read and understand the solicitation and tailor your Offer and activities to ensure compliance. We reserve the right to amend the solicitation; reject any or all Offers; to award by item, group of items, or grand total; and to waive minor defects. We may request a clarification; inspect your premises; interview staff; request a presentation; or otherwise verify the contents of the Offer, including information about subcontractors and suppliers. We may request Best & Final Offers when appropriate. We will make all decisions on compliance, evaluation, terms and conditions, and shall make decisions solely in the best interests of the State. This competitive process requires that you provide additional information and otherwise cooperate with us. If you do not comply with requests for information and cooperate, we may reject your Offer. You have no right to an award by submitting an Offer, nor do you have the right to a contract based on our posting your name in a Bulletin notice. We are not responsible for and will not pay any costs associated with the preparation and submission of your Offer. If you are the awardee, you shall not commence, and will not be paid for any billable work prior to the date all parties execute the contract, unless approved in writing in advance by the State Purchasing Officer or the Chief Procurement Officer (or the CPO's designee).

1.15 GOVERNING LAW AND FORUM: Illinois law and rule govern this solicitation and any resulting contract. You must bring any action relating to this solicitation or any resulting contract in the appropriate court in Illinois. We do not allow binding arbitration. This document contains statutory references designated with "ILCS". You may view the full text at <http://www.ilga.gov/legislation/ilcs/ilcs.asp>. The Illinois Procurement Code (30 ILCS 500) and the Standard Procurement Rules (44 Ill. Adm. Code 1) are applicable to this solicitation and may be viewed by users registered for the Illinois Procurement Bulletin at <http://www.purchase.state.il.us>.

1.16 EMPLOYMENT TAX CREDIT: Vendors who hire qualified veterans and certain ex-offenders may be eligible for tax credits. Please contact the Illinois Dept. of Revenue (312-814-3215) for information about tax credits. If you receive this tax credit you must report to the Dept. of Central Management Services the number of individuals hired for whom you received tax credits. You must submit this information by August 31 of each year covering the previous 12 months (July-June) (PA 94-1067; 30 ILCS 500/45-67 and 45-70).

## 1.17 DEFINITIONS

1.17.1 Key Information Delivery System (KIDS): the Agency's computer system for the IV-D Program.

1.17.2 Title IV-D Program (IV-D Program or "IV-D"): the Child Support Enforcement Program established under Title IV Section D of the Social Security Act, 42 U.S.C. 651 et seq.

2.0 OFFER RESPONSE FORMS: We will evaluate the information you provide in the Offer Response Forms. You will find these forms in later sections of this solicitation.

2.1 EVALUATION CATEGORIES: We evaluate four categories of information: Administrative Compliance, Responsibility, Responsiveness, and Price. We will consider the information you supply or don't supply, and the quality of that information when evaluating your Offer. If we find a failure or deficiency, we may have to reject the Offer or reflect that in the evaluation.

2.1.1 ADMINISTRATIVE COMPLIANCE: We will determine whether your Offer complied with the Instructions for submitting Offers. Except for late submissions, we may require that a Vendor correct deficiencies as a condition of further evaluation.

2.1.2 RESPONSIBILITY: We will determine whether you are a "Responsible" Vendor; a Vendor with whom we can or should do business. Factors that we may evaluate to determine Responsibility include, but are not limited to: certifications, conflict of interest, financial disclosures, taxpayer identification number, past performance, references (including those found outside the Offer,) compliance with applicable laws, financial stability and the perceived ability to perform completely as specified. You must at all times have financial resources sufficient, in the opinion of the State, to ensure performance of the contract and must provide proof upon request. We may require that a Vendor correct any deficiencies as a condition of further evaluation.

2.1.3 RESPONSIVENESS: We will determine whether the Offer meets the stated requirements. Minor differences or deviations that have negligible impact on the price or suitability of the supply or service to meet the State's needs may be accepted or corrections allowed. If no administratively compliant and responsible Vendor meets a particular requirement, we may waive that requirement. When the specification calls for "Brand Name or Equal," the brand name product is acceptable. Other products will be considered with proof the other product meets stated specifications and is equivalent to the brand product in terms of quality, performance and desired characteristics.

2.1.4 PRICE: We will identify the lowest priced Offer that meets Administrative, Responsibility and Responsiveness requirements.

2.2 AWARD: We will award to the Responsible Vendor whose Offer passes Administrative review, is Responsive, and who submits the best value as shown by the combination of Responsiveness and Price.

We will determine how well Offers meet the Responsiveness requirements. We will rank Offers, without consideration of Price, from best to least qualified using a point ranking system (unless otherwise specified) as an aid in conducting the evaluation. Vendors who receive fewer than the minimum required points will not be considered for Price evaluation and award.

If we do not consider the Price to be fair and reasonable and we cannot negotiate to an acceptable Price, we reserve the right to cancel the award and take appropriate action to meet our needs. We will determine whether the price is fair and reasonable by considering the Offer, including the Vendor's qualifications, the Vendor's reputation, all prices submitted, other known prices, the project budget and other relevant factors.

The point evaluation system is described below.

2.2.1 The following chart shows the elements of Responsiveness that we will evaluate, their relative weights in point format and the minimum point requirements. The total number of points for Responsiveness is 1,020. Proposals that do not receive a minimum number of required points for any element are to be considered as non responsive and will not be considered for price evaluation and award.

| Responsiveness Elements |                                        | Minimum Required Points | Maximum Points |
|-------------------------|----------------------------------------|-------------------------|----------------|
| 3.2.1                   | Modification Reviews                   | 70                      | 100            |
| 3.2.2.1                 | Income Withholding                     | 105                     | 150            |
| 3.2.2.2                 | National Medical Support Notice (NMSN) | 70                      | 100            |
| 3.2.2.3                 | Unemployment Insurance Benefits (UIB)  | 35                      | 50             |
| 3.2.2.4                 | New Hire Reporting                     | 70                      | 100            |

| Responsiveness Elements |                                         | Minimum Required Points | Maximum Points |
|-------------------------|-----------------------------------------|-------------------------|----------------|
| 3.2.3.1                 | Customer Service: Telephone             | 70                      | 100            |
| 3.2.3.2                 | Customer Service: Walk-Ins              | 14                      | 20             |
| 3.2.3.3                 | Customer Service: Referrals             | 21                      | 30             |
| 3.2.4                   | Court Order Entry & Related Adjustments | 105                     | 150            |
| 3.2.5                   | Quality Control of Judicial Referrals   | 14                      | 20             |
| 3.2.6                   | Document Imaging                        | 70                      | 100            |
| 3.6                     | Vendor & Staff Requirements             | 70                      | 100            |

2.2.2 The total number of points for Price is 480. We will determine Price points using the following formula:  
Maximum Price Points X (Lowest Price/Offeror's Price) = Total Price Points

2.2.3 The maximum number of points is 1,500 (Responsiveness 1,020 + Price 480).

### SECTION 3 - SPECIFICATIONS / QUALIFICATIONS / STATEMENT OF WORK

#### 3.1 AGENCY'S NEED FOR SUPPLIES / SERVICES

The Illinois Department of Healthcare and Family Services (Agency, HFS, or Department) is seeking a qualified vendor who meets the Department's specifications to provide the following services: Modification Reviews; Employer Related Services for Income Withholding, National Medical Support Notice (NMSN), Unemployment Insurance Benefits (UIB) and New Hire Reporting; Customer Service; Court Order Entry and Related Adjustments; Quality Control for Judicial Referrals; and Document Imaging services.

The Department's goal is to ensure provision of support order modification services and the enforcement services for the automated income withholding process, unemployment insurance benefits offsets and the National Medical Support Notice, order entry, quality control for legal action referrals, follow up to ensure compliance by employers with New Hire reporting requirements and customer service related to all services provided. All services must be in compliance with Title IV-D of the Social Security Act, other federal requirements and state guidelines as may be required throughout the term of the Contract.

The Department is also seeking proposals and prices for two additional services that may be included in the contract to be awarded under this RFP. These services are: (1) Employer database cleanup and maintenance, and (2) Medical support order data entry cleanup.

It is also the goal of this procurement that the selected vendor will achieve a minimum percentage of the total contract of 7% for participation by businesses owned and controlled by minorities or females or by businesses owned and controlled by disabled persons (as defined in SECTION 5 Minority, Female, Person with Disability Status and Subcontracting).

#### 3.2 SUPPLIES AND/OR SERVICES REQUIRED

Service area descriptions are broken down into six sections and subsections. Each section includes a description of service requirements and an estimate of volumes. Proposals must respond to each of these elements as identified.

- 3.2.1 Modification Reviews
- 3.2.2 Employer Related Services
  - 3.2.2.1 Income Withholding
  - 3.2.2.2 National Medical Support Notice
  - 3.2.2.3 Unemployment Insurance Benefits
  - 3.2.2.4 New Hire Reporting
- 3.2.3 Customer Service
  - 3.2.3.1 Telephone
  - 3.2.3.2 Walk-Ins
  - 3.2.3.3 Referrals
- 3.2.4 Court Order Entry and Related Adjustments
- 3.2.5 Quality Control of Judicial Referrals
- 3.2.6 Document Imaging

### 3.2.1 Modification Reviews

Vendor shall

- 3.2.1.1 Conduct modification reviews for Cook County cases with administrative and judicial support orders as identified and referred by the Department in accordance with Department procedures (see Appendix A for process information) and record in KIDS Notes all activity taken on cases as directed by the Department. Downward modifications cases resulting from Department initiatives known as Project Child or Project Clean Slate will not be referred to the vendor.
- 3.2.1.2 Complete all required activities and enter appropriate coding into KIDS within 120 days from the date of referral as identified as the Quantitative Selection Review (QSR) date and not subject to automatic closure.
- 3.2.1.3 Provide adequate staff necessary to process the monthly volume of referrals not subject to automatic closure which is estimated to be 1,000 to 1,500 cases.
- 3.2.1.4 Process all related mail at an estimated volume of 2,500 pieces per month.
- 3.2.1.5 Process all documents identified by the Department for Imaging (See Section 3.2.6).

### 3.2.2 Employer Related Services

#### 3.2.2.1 Income Withholding

Vendor shall

- 3.2.2.1.1 Provide services in response to Department referrals regarding employer income withholding non compliance in accordance with Department procedures (see Appendix B for process information) and record in KIDS Notes all activity taken on cases as directed by the Department.
- 3.2.2.1.2 Complete all required employer non compliance referral activities and enter appropriate coding in KIDS as required within fifteen (15) calendar days after the initial referral.
- 3.2.2.1.3 Provide adequate staff necessary to process the monthly volume of referrals which is estimated to be 17,000 – 20,000 per month on average, based on child support orders appearing in KIDS. This includes a single upward spike of referrals at an estimated volume of 4,000 referrals once every quarter. KIDS data has found that employers requiring follow up contact have an average of two child support orders needing to be addressed. In addition, a Non Custodial Parent (NCP) may be a party in more than one child support order. The vendor is expected to develop work procedures that will result in economies of effort. As a result, the actual number of employer noncompliance contacts needing to be made in a given month is expected to be significantly less than the total number of child support order referrals.
- 3.2.2.1.4 Process all income withholding related mail, as directed by the Department, at an estimated volume of 17,000 pieces per month of which approximately 15,000 pieces are employer reports of terminated employees. Record in KIDS employment end dates.
- 3.2.2.1.5 Process all documents identified by the Department for Imaging (See Section 3.2.6).

#### 3.2.2.2 National Medical Support Notice (NMSN)

Vendor shall

- 3.2.2.2.1 Provide services on all cases referred by the Department to complete all activities required for compliance with the federally mandated NMSN process. These activities include, but are not limited to, receiving, sorting and processing mail and faxes from employers and health plan administrators, contacting employers and others to enforce medical insurance coverage, data entering NMSN information into KIDS, completing legal action referrals (LARs) as necessary to enforce medical insurance coverage (see Appendix C for process information) and record in KIDS Notes all activity taken on cases as directed by the Department.
- 3.2.2.2.2 Complete all required referral activities and enter appropriate coding in KIDS as required within fifteen (15) calendar days after initial referral;
- 3.2.2.2.3 Provide adequate staff necessary to process the monthly volume of referrals which is estimated to be 2,000 – 2,200 referrals, based on child support orders appearing in KIDS. The vendor must be prepared to accommodate not only month to month fluctuations in volume but also daily fluctuations within a month, due to periodic system interfaces and data influx. Employers requiring follow up contact may have more than one child support order number to be addressed, and an NCP may be a party in more than one child support order. In addition, referrals for NSNM follow up may have also been received by the vendor for employer noncompliance follow up (Section 3.2.2.1.1). The vendor is expected to develop work procedures that will result in economies of

effort. As a result, the actual number of NMSN contacts needing to be made in a given month is expected to be significantly less than the total number of child support order referrals.

3.2.2.2.4 Sort and process all mail returned to the Department's P.O. Box established to receive NMSN responses and forwarded by the Department to the vendor, at an estimated volume of 8,000 to 9,000 pieces per month.

3.2.2.2.5 Process all documents identified by the Department for Imaging (See Section 3.2.6).

### 3.2.2.3 Unemployment Insurance Benefits (UIB)

Vendor shall

3.2.2.3.1 Provide follow up services on all cases referred by the Department such as completing manual offsets on cases not processed by the Department's automated offset of UIB (see Appendix B for process information).

3.2.2.3.2 Complete all required referral activities and enter appropriate coding in KIDS as required within seven (7) calendar days after initial referral.

3.2.2.3.3 Provide adequate staff necessary to process the monthly volume of referrals that is estimated to be 100 – 150 cases.

### 3.2.2.4 New Hire Reporting

Vendor shall

3.2.2.4.1 Provide liaison services to employers and the Illinois Department of Employment Security (IDES).

3.2.2.4.2 Respond to employer inquiries via the Department's website within two (2) calendar days of receipt.

3.2.2.4.3 Provide all required services to print, distribute and update the Illinois Employer Handbook at the Direction of the Department. This handbook is mailed out monthly to new employers, at an estimated monthly volume of 2,500 – 3,000, within twenty (20) calendar days of receipt of IDES' report of new Illinois employers.

3.2.2.4.4 Participate in meetings with the Department and IDES concerning New Hire activities and with Department staff responsible for the Department's website; provide input and recommendations for improvements and enhancements.

3.2.2.4.5 Perform analyses to identify employers not in compliance with New Hire reporting upon receipt of the IDES Quarterly Wage Report, using all reports and information available from IDES and the Department.

3.2.2.4.5.1 Report results within twenty (20) calendar days of receipt of the IDES Quarterly Wage Report.

3.2.2.4.5.2 Follow-up with noncompliant employers by correspondence, telephone contact or Internet, to ensure compliance.

3.2.2.4.6 Seek opportunities and provide presentations regarding new hire reporting, income withholding and NMSN, to employers, and relevant organizations such as chambers of commerce and payroll associations, to promote compliance with new hire reporting and Department procedures.

### 3.2.3 Customer Service

Vendor shall provide customer service in support of all other activities in this section (Section 3.2).

#### 3.2.3.1 Telephone

3.2.3.1.1 Vendor shall establish a toll free customer service telephone and fax lines.

3.2.3.1.2 Vendor shall answer and respond to inquiry telephone calls regarding the services provided.

3.2.3.1.3 Vendor's caller hold time, which is the amount of time for the telephone calls to be answered, shall not exceed a monthly average of three (3) minutes.

3.2.3.1.4 Vendor shall provide all required telecommunications equipment which include equipment capable of providing statistics for call volumes and hold times. Vendor is responsible for all telephone lines.

3.2.3.1.5 Vendor shall provide adequate staff necessary to process the monthly volume of inquiry telephone calls that is estimated to be 20,000 – 21,000 calls.

#### 3.2.3.2 Walk-ins

- 3.2.3.2.1 Vendor shall provide access for walk-ins that are estimated at a monthly volume of 1,000 persons.
- 3.2.3.2.2 Vendor shall provide an appropriate representative to see walk-ins within five (5) minutes of arrival.
- 3.2.3.3 Referrals
  - 3.2.3.3.1 Vendor shall receive and respond to individual case referrals from the Department and the Department's designated representatives.
  - 3.2.3.3.2 Vendor shall initiate response activities within one (1) business day of receipt and respond to all inquiries or referrals within fifteen (15) calendar days.
  - 3.2.3.3.3 Vendor shall provide adequate staff necessary to process the monthly volume of referrals which is estimated to be 2,000 – 2,500.
- 3.2.4 Court Order Entry and Related Adjustments
 

Vendor shall

  - 3.2.4.1 Perform all required data entry into KIDS of all Cook County child support orders which require payment of child support and/or medical support for a child (pay orders) and non pay orders (see Appendix D for process information).
  - 3.2.4.2 Obtain copies of all pay orders and complete data entry into KIDS within one (1) business day of receipt. Pay orders requiring complex account adjustments must have the account adjustment completed and entered into KIDS within ten (10) business days of receipt.
  - 3.2.4.3 Obtain copies of all non pay orders and complete data entry into KIDS within five (5) business days of receipt.
  - 3.2.4.4 Perform a quality control check for every order entered and every completed arrearage calculation.
  - 3.2.4.5 Provide adequate staff necessary to process the monthly volume which is estimated at 1,100 to 1,500 pay orders and 2,600 to 3,800 non pay orders.
  - 3.2.4.6 Process all documents identified by the Department for Imaging (See Section 3.2.6).
- 3.2.5 Quality Control of Judicial Referrals
 

Vendor shall

  - 3.2.5.1 Review legal action referrals (LARs) of various types using criteria provided by the Department to provide quality control.
  - 3.2.5.2 Return the reviewed LARs within two (2) business days of receipt.
  - 3.2.5.3 Provide adequate staff necessary to process the monthly volume which is estimated at 700 to 1,100 LARs.
- 3.2.6 Document Imaging
  - 3.2.6.1 Vendor shall provide document imaging services to prepare and scan documents for imaging as directed by the Department (see Appendix E for process information).
  - 3.2.6.2 Vendor shall be able to provide imaging services for the following:
    - 3.2.6.2.1 Modification Review Documents (Section 3.2.1) with an estimated number of 15,000 to 20,000 pages per month;
    - 3.2.6.2.2 Income Withholding Follow-up Documents (Section 3.2.2.1) with an estimated number of 15,000 to 20,000 pages per month;
    - 3.2.6.2.3 National Medical Support Notice Follow-up Documents (Section 3.2.2.2) with an estimated number of 7,000 to 9,000 pages per month;
    - 3.2.6.2.4 Court Documents (Section 3.2.4) with an estimated number of 10,000 to 15,000 pages per month.
  - 3.2.6.3 Vendor shall provide all necessary equipment.
    - 3.2.6.3.1 Equipment specifications must be approved by the Department.
    - 3.2.6.3.2 Imaging software and communication line will be provided by the Department.

### 3.3 ADDITIONAL SERVICES

The Department is requesting information on the additional services described in Sections 3.3.1 and 3.3.2. Vendor's proposal must include a separate proposal and price for each of the following additional services. These additional services will not be part of the evaluation process and may or may not be included subsequent to the contract award. Failure to submit a separate proposal and price for each of these additional services will deem the vendor to be non responsive during the administrative review process. Pricing for these additional services must be submitted as described in Section 7.

#### 3.3.1 Employer database cleanup and maintenance

The Department seeks services to review, analyze, correct and maintain employer records held on KIDS Third Party database. Vendor shall:

3.3.1.1 Provide analysis of validity of employer information on KIDS Third Party database at an estimated volume of 926,000 records.

3.3.1.1.1 Perform root cause analysis of inaccurate employer information and provide recommendations for process changes.

3.3.1.1.2 Develop an approach to correct the following employer information, preferably integrating maintenance of employer records with on-line New Hire Registry.

3.3.1.1.2.1 FEIN Number

3.3.1.1.2.2 Corporate Address

3.3.1.1.2.3 Income Withholding Address

3.3.1.1.2.4 Telephone

3.3.1.1.2.5 Fax

3.3.1.1.2.6 Medical Plan Administrator's Address

3.3.1.2 Perform routine maintenance on the employer records.

3.3.1.2.1 Provide adequate staff necessary to process the monthly volume which is estimated at 1,500 – 1,800 referrals.

3.3.1.2.2 Develop procedures for handling referrals reporting a change or a correction to employer information received via mail, telephone, fax or the DCSE employer website.

3.3.1.2.3 Correct the following employer information as required.

3.3.1.2.3.1 FEIN Number

3.3.1.2.3.2 Corporate Address

3.3.1.2.3.3 Income Withholding Address

3.3.1.2.3.4 Telephone

3.3.1.2.3.5 Fax

3.3.1.2.3.6 Medical Plan Administrator's Address

#### 3.3.2 Medical support order data entry cleanup

The Department seeks services to review and correct KIDS entries for selected child support orders that will be provided to the vendor by the Department. Vendor shall:

3.3.2.1 Review current child support orders with financial terms and at least one unemancipated child where no medical support has been ordered to cover the cost of health insurance and the Medical Liability Code indicator in KIDS is 0, 1, 3 or 8 (see Appendix C for code definitions).

3.3.2.2 Determine whether child(ren) currently have medical insurance coverage.

3.3.2.3 If no coverage, code KIDS as directed by the Department for further processing.

3.3.2.4 Process an estimated volume of 100,000 to 105,000 child support orders.

### 3.4 MILESTONES AND DELIVERABLES

Requirements for this section are covered in Section 3.2 and in Section 3.8

### 3.5 REPORTING, STATUS AND MONITORING

3.5.1 Vendor shall cooperate with the State in this monitoring and tracking activity, and will report progress and problems (with proposed resolutions), and shall provide a monthly report of all activities, in a format approved by the Department, by the 10th business day following the end of the month. The vendor agrees to allow random inspections of its facilities, participate in scheduled meetings and provide special management reports as requested by the State.

3.5.2 Performance will be evaluated on a quarterly basis. Case referral completion will be determined in accordance with 1) the established time frames as outlined in the RFP and in compliance with state and federal regulations; 2) accuracy as outlined in the RFP. The monthly payment amount will be adjusted by a percentage of the monthly payment amounts for the quarter in accordance with the following accurate and timely case completion schedule.

|                     |   |                       |
|---------------------|---|-----------------------|
| 100% - 95% of cases | - | No payment adjustment |
| 94% - 93% of cases  | - | 0.5%                  |
| 92% to 91% of cases | - | 1%                    |
| 90% of cases        | - | 2%                    |
| 89% of cases        | - | 4%                    |
| 88% of cases        | - | 6%                    |
| 87% of cases        | - | 8%                    |
| 85% of cases        | - | 10%                   |
| 85% - 80% of cases  | - | 15%                   |
| below 80% of cases  | - | 20%                   |

Vendor's performance will be determined by monitoring for accuracy and timeliness. When the entire workload is not reviewed, the size of the case sample shall be determined using standard statistical methodology, with a confidence level of 95% and a confidence interval of 5.

Failure to accomplish at least 80% of cases will constitute a breach of the agreement and may lead to termination.

### 3.6 VENDOR AND STAFF REQUIREMENTS

3.6.1 References: Vendor shall provide references from established private firms or government agencies, (four preferred; two of each type preferred) other than the procuring agency, that can attest to your experience and ability to perform the contract subject of this solicitation. You must provide the name, contact information and a description of the supplies or services provided.

3.6.2 Vendor shall submit a high level organization chart, including resumes of the Project Manager and all key personnel, and an outline of how the vendor proposes to provide staffing to perform the required services. This should include an estimated number of staff for each service, an explanation of how cross training will be applied and the vendor's position concerning the potential engagement of temporary staff and approval of overtime. The volumes in this RFP are estimates and are subject to fluctuations. The vendor is expected to be able to respond accordingly.

3.6.3 Subcontractor Disclosure. Vendor shall identify in Section 7.7 the names and addresses of all subcontractors that will be using in the performance of this Contract, together with the anticipated amount of money that each subcontractor is expected to receive pursuant to this Contract. We may request updated information at any time.

### 3.7 WHERE SERVICES ARE TO BE PERFORMED

3.7.1 Vendor shall establish and maintain a local presence in Cook County by being located in close proximity to the Division of Child Support Enforcement's (DCSE) Chicago Office located at 32 West Randolph, Chicago, Illinois 60601.

3.7.2 Work Location Disclosure: Vendor shall disclose in Section 7.8 the location where the services required shall be performed. If at multiple locations, the known or anticipated value of the services performed at each location shall be identified. This information and economic impact on Illinois and its residents may be considered in the evaluation. If any work identified for performance in the United States is moved to another country, such action may be deemed a breach of the contract.

### 3.8 OTHER SPECIFICATIONS

#### 3.8.1 Transition Period

3.8.1.1 Transition Period begins the date the contract is awarded and terminates upon the effective date of the contract.

3.8.1.2 Vendor shall provide to the Department a detailed and thorough transition plan within two (2) business days of the contract award, which may include the transfer of cases in progress, where applicable.

3.8.2 Vendor shall provide an on-time start-up with no disruption in service and is expected to be in compliance with performance levels.

3.8.3 Vendor shall provide all necessary equipment. The Department may provide available office furniture currently in use at the Chicago location, 32 West Randolph St., referenced in Section 3.7.

3.8.4 Access to KIDS shall be provided by the Department for the services in this RFP.

3.8.5 Unless otherwise specified, Vendor shall provide all computer software and hardware.

### 3.9 TERM OF CONTRACT

The term of the Contract shall be from July 1, 2009 through June 30, 2011.

### 3.10 RENEWAL

The Department shall have the option of renewing the contract for three (3) one year renewals for the periods of July 1, 2011 through June 30, 2012, July 1, 2012 through June 30, 2013, and July 1, 2013, through June 30, 2014.

#### SECTION 4 - OFFER TO STATE OF ILLINOIS

Project Title / Reference #: MODIFICATION & EMPLOYER RELATED SERVICES / REFERENCE # 2010-55-002-RFP

The undersigned authorized representative of the identified Vendor does hereby submit this Offer to perform in full compliance with the subject solicitation. By completing and signing this Form, we are making an Offer to the State of Illinois that the State may accept. We are also certifying to compliance with the various requirements of the solicitation and the documents contained in the solicitation.

We have marked each blank below as appropriate and have used N/A when a section is not applicable to this solicitation. We understand that failure to meet all requirements is cause for disqualification.

We have:

☐ Reviewed the Offer Form, including all referenced documents as well as the solicitation Instructions, filled in all relevant blanks, provided any requested information, and

☐ Signed on the space(s) provided.

Acknowledgment of Amendments/Addendums.

☐ We acknowledge receipt of any and all amendments/addendums to the solicitation and have taken those into account in making this Offer.

Offer Response Forms. Accompanying and as part of this Offer you will find:

☐ Response to Specifications/Qualifications/Statement of Work

☐ Designated number of copies

☐ Electronic copies on CDs.

☐ Completed Responsibility Forms packet::

Business and Directory Information

Conflict of Interest Disclosures

Completed and Signed Taxpayer Identification Number form

☐ References and other related documents (see Sections 3.6.1 & 3.6.2)

☐ Response concerning Subcontractors (see Section 7.7)

☐ Response concerning Work Location Disclosures (see Section 7.8)

☐ Response to Price and BEP Utilization Plan sections completed and submitted in separate sealed envelopes in the Offer container.

Exceptions. In preparing the Offer we have taken (check one)

☐ No Exceptions

☐ Exceptions to the State's language or requirements in the following sections of the Offer:

☐ Contract

☐ Responsibility forms

☐ Details of the exceptions are shown on a separate labeled attachment

Domestic Products (check one)

- ☐ We are not making a claim for preference under the Procurement of Domestic Products Act (30 ILCS 517).
- ☐ We are making a claim for preference under the Procurement of Domestic Products Act (30 ILCS 517). After reading the Act we certify we are eligible and that the following product or products bid or proposed in response to this solicitation meet the requirements of the Act. Check and complete as applicable:
- ☐ All products
- ☐ The following individual products (show line item if applicable)

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Request for Confidential Treatment (check one)

- ☐ We are not requesting confidential treatment for this Offer.
- ☐ We are seeking confidential treatment for portions of this Offer. We have supplied, as an attachment to this Offer, a listing of the provisions identified by section number for which we seek confidential treatment along with the statutory basis under Illinois law for exempting that information from public disclosure. We have supplied an additional copy of the Offer with confidential information deleted. In the event the designation of confidentiality of this information is challenged, the undersigned hereby agrees to provide legal counsel or other necessary assistance to defend the designation of confidentiality and agrees to hold the State harmless for any costs or damages arising out of the State agreeing to withhold the materials based on Vendor's request.

Protests and Negotiations

If we are selected for award, we understand that does not entitle us to a contract. We further understand the award is conditioned on favorable resolution of any protests and to successful negotiation of terms and conditions including, but not limited to price and any exceptions requested.

Vendor Contact Person: The contact person for purposes of responding to any questions the State may have is:

Printed Name \_\_\_\_\_ Title \_\_\_\_\_

Address \_\_\_\_\_

Phone \_\_\_\_\_ Fax \_\_\_\_\_

Email \_\_\_\_\_

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(Vendor name and DBA)

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(Signature of party authorized to bind the named Vendor)

Printed Name \_\_\_\_\_ Title \_\_\_\_\_

Address \_\_\_\_\_

Phone \_\_\_\_\_ Fax \_\_\_\_\_

E-mail \_\_\_\_\_

## SECTION 5 - RESPONSIBILITY FORMS

We have identified various information we need in order to determine if you are eligible to contract with the State and can be considered a "Responsible" Vendor.

You will need to:

- Complete OFFER TO STATE OF ILLINOIS form (Section 4) and sign by authorized party.

- Review each of the Responsibility forms, fill in all relevant blanks and provide any requested information.

  - Business and Directory Information

  - Conflict of Interest Disclosures

  - Completed and Signed Taxpayer Identification Number form

- Provide required references and other related documents (see Sections 3.6.1 & 3.6.2)

- Provide response concerning Subcontractors (see Section 7.7)

- Provide response concerning Work Location Disclosure (see Section 7.8)

You must include all of this as part of your Offer or risk disqualification.

## Business and Directory Information

- (a) Name of Business (Official Name and D/B/A)
- (b) Business Headquarters (include Address, Telephone and Facsimile)
- (c) If a Division or Subsidiary of another organization provide the name and address of the parent
- (d) Billing Address
- (e) Name of Chief Executive Officer
- (f) Customer Contact (include Name, Title, Address, Telephone, Toll-Free Number, Facsimile and E-mail)
- (g) Company Web Site
- (h) Type of Organization (i.e., Sole Proprietor, Corporation, Partnership, etc. -- should be the same as on the Taxpayer ID form below)
- (i) Length of Time in Business
- (j) Annual Sales (for most recently completed Fiscal Year)
- (k) Number of Full-Time Employees (average from most recent Fiscal Year)
- (l) Type of and description of business
- (m) State of incorporation, state of formation or state of organization
- (n) Identify and specify the location(s) and telephone numbers of the major offices and other facilities that relate to the Vendor's performance under the terms of this solicitation.
- (o) Department of Human Rights (DHR) Public Contract Number  
If Vendor has employed fifteen (15) or more full-time employees at any time during the 365-day period immediately preceding the publication of this solicitation in the Illinois Procurement Bulletin (or issuance date if not published), then Vendor must have a current Public Contract Number or have proof of having submitted a completed application for one prior to the Solicitation opening date. (44 Ill. Adm. Code 750.210(a)) For application information call the DHR Public Contracts unit at (312) 814-2431.

Show # \_\_\_\_\_ or attach proof of application.

(p) Information Regarding Debarment, Litigation and Terminations

1. During the last five (5) years has any order, judgment or decree of any Federal or State authority been issued barring, suspending or otherwise limiting your right to contract with any governmental entity, including school districts, or to engage in any business practice or activity?

Yes\_\_\_\_ No\_\_\_\_

2. Is there any current, pending or threatened litigation, administrative or regulatory proceedings, or similar matters that could affect your ability to perform the required services.

Yes\_\_\_\_ No\_\_\_\_

3. During the last five (5) years has any customer terminated a contract for cause or accepted damages in lieu of for cause termination?

Yes\_\_\_\_ No\_\_\_\_

(q) Disclosure of Business Operations with Iran (30 ILCS 500/50-36)

Each bid, offer, or proposal submitted for a State contract, other than a small purchase defined in Section 20-20 [of the Illinois Procurement Code], shall include a disclosure of whether or not the bidder, offeror, or proposing entity, or any of its corporate parents or subsidiaries, within the 24 months before submission of the bid, offer, or proposal had business operations that involved contracts with or provision of supplies or services to the Government of Iran, companies in which the Government of Iran has any direct or indirect equity share, consortiums or projects commissioned by the Government of Iran and:

(1) more than 10% of the company's revenues produced in or assets located in Iran involve oil-related activities or mineral-extraction activities; less than 75% of the company's revenues produced in or assets located in Iran involve contracts with or provision of oil-related or mineral – extraction products or services to the Government of Iran or a project or consortium created exclusively by that Government; and the company has failed to take substantial action; or

(2) the company has, on or after August 5, 1996, made an investment of \$20 million or more, or any combination of investments of at least \$10 million each that in the aggregate equals or exceeds \$20 million in any 12- month period that directly or significantly contributes to the enhancement of Iran's ability to develop petroleum resources of Iran.

A bid, offer, or proposal that does not include this disclosure shall not be considered responsive. We may consider this disclosure when evaluating the bid, offer, or proposal or awarding the contract.

You must check one of the following items and if item 2 is checked you must also make the necessary disclosure:

\_\_\_ There are no business operations that must be disclosed to comply with the above cited law.

\_\_\_ The following business operations are disclosed to comply with the above cited law:

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## CONFLICT OF INTEREST DISCLOSURES

**Instructions.** Vendor shall disclose with the Offer financial interests, potential conflicts of interest and contract information identified in Sections 1, 2 and 3 below as a condition of receiving an award or contract (30 ILCS 500/50-13 and 50-35).

If the Vendor is a wholly owned subsidiary of a parent organization, separate disclosures must be made by the Vendor and the parent. For purposes of this form, a parent organization is any entity that owns 100% of the Vendor.

This disclosure information is submitted on behalf of (show official name of Vendor, and if applicable, D/B/A and parent):

Name of Vendor: \_\_\_\_\_

D/B/A (if used): \_\_\_\_\_

Name of any Parent Organization: \_\_\_\_\_

### Section 1: Section 50-13 Conflicts of Interest

All Vendors must complete this section regardless of the dollar value of the contract or method of procurement. Even if you mark "No Conflict of Interests" you may still need to complete Section 2 and 3.

(a) Prohibition. It is unlawful for any person holding an elective office in this State, holding a seat in the General Assembly, or appointed to or employed in any of the offices or agencies of State government and who receives compensation for such employment in excess of 60% of the salary of the Governor of the State of Illinois [\$106,447.20], or who is an officer or employee of the Capital Development Board or the Illinois Toll Highway Authority, or who is the spouse or minor child of any such person to have or acquire any contract, or any direct pecuniary interest in any contract therein, whether for stationery, printing, paper, or any services, materials, or supplies, that will be wholly or partially satisfied by the payment of funds appropriated by the General Assembly of the State of Illinois or in any contract of the Capital Development Board or the Illinois Toll Highway Authority.

(b) Interests. It is unlawful for any firm, partnership, association, or corporation, in which any person listed in subsection (a) is entitled to receive (i) more than 7 1/2% of the total distributable income or (ii) an amount in excess of the salary of the Governor (\$177,412.00), to have or acquire any such contract or direct pecuniary interest therein.

(c) Combined interests. It is unlawful for any firm, partnership, association, or corporation, in which any person listed in subsection (a) together with his or her spouse or minor children is entitled to receive (i) more than 15%, in the aggregate, of the total distributable income or (ii) an amount in excess of 2 times the salary of the Governor [\$354,824.00], to have or acquire any such contract or direct pecuniary interest therein.

Check One:

\_\_\_\_\_ No Conflicts Of Interest

\_\_\_\_\_ Potential Conflict of Interest (If checked, name each conflicted individual, the nature of the conflict, and the name of the State agency that is associated directly or indirectly with the conflicted individual.)

Section 2: Disclosure of Financial Interest in the Vendor.

This applies to all contracts with an annual value exceeding \$10,000 that must be procured using one of the authorized competitive methods of source selection. Complete the appropriate subsections.

Vendors must complete subsection (a), (b) or (c) below as applicable if the annual value exceeds \$10,000. Use (c) if you do not meet the requirements for (a) or (b). In addition, all Vendors must complete Section 3.

(a) Publicly traded corporations subject to SEC reporting requirements

(a-1) Vendor shall submit their 10K disclosure (include proxy if referenced in 10k) in satisfaction of the financial and conflict of interest disclosure requirements set forth in subsections 50-35 a and b of the Procurement Code. The SEC 20f or 40f, supplemented with the names of those owning in excess of 5% and up to the ownership percentages disclosed in those submissions, may be accepted as being substantially equivalent to 10K.

Check here if submitting a 10k \_\_\_\_\_, 20f \_\_\_\_\_, or 40f \_\_\_\_\_.

(a-2) Vendor shall identify each contract, pending contracts, bids, proposals and other ongoing procurement relationships it has with units of State of Illinois government by showing agency name and other descriptive information such as bid number, project title, purchase order number or contract reference number (Attach additional pages as necessary. Show "none" if appropriate).

(b) Privately held corporations with more than 400 shareholders

(b-1) These Vendors may submit the information identified in 17 CFR 229.401 and list the names of any person or entity holding any ownership share in excess of 5% in satisfaction of the financial and conflict of interest disclosure requirements set forth in subsections 50-35 a and b of the Procurement Code.

(b-2) Vendor shall identify each contract, pending contracts, bids, proposals and other ongoing procurement relationships it has with units of State of Illinois government by showing agency name and other descriptive information such as bid number, project title, purchase order number or contract reference number (Attach additional pages as necessary. Show "none" if appropriate).

(c) General disclosure. Individuals, sole proprietorships, partnerships and any others not qualified to use subsection (a) or (b) above must complete (c-1), (c-2), and (c-3) as appropriate.

(c-1) For each individual having any of the following financial interests in the Vendor (or its parent), please mark each that apply and show the applicable name and address. Use separate forms for each individual.

|                                                     |                              |                             |                         |          |
|-----------------------------------------------------|------------------------------|-----------------------------|-------------------------|----------|
| Does Ownership exceed 5%?                           | Yes <input type="checkbox"/> | No <input type="checkbox"/> | If Yes show percentage* | _____ %. |
| Does Ownership value exceed \$106,447.20?           | Yes <input type="checkbox"/> | No <input type="checkbox"/> | If Yes show \$ amount   | \$ _____ |
| Does Distributive Income Share exceed 5%?           | Yes <input type="checkbox"/> | No <input type="checkbox"/> | If Yes show percentage* | _____ %. |
| Does Distributive Income Share exceed \$106,447.20? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | If Yes show \$ amount   | \$ _____ |

How is this interest held?

Type of ownership/distributable income share:

Sole Proprietorship ☐ Stock ☐ Partnership ☐ Other (explain) \_\_\_\_\_

Name: \_\_\_\_\_

Address: \_\_\_\_\_

\*For partnerships with more than 50 partners, the percentage share of ownership of each individual identified above may be shown in the following ranges (Dollar value fields must also be completed when applicable):

0.5% or less \_\_\_\_\_ >0.5 to 1.0% \_\_\_\_\_ >1.0 to 2.0% \_\_\_\_\_ >2.0 to 3.0 % \_\_\_\_\_ > 3.0 to 4.0% \_\_\_\_\_ %  
>4.0 to 5.0% \_\_\_\_\_ and in additional 1% increments as appropriate \_\_\_\_\_ %

(c-2) In relation to individuals identified in c-1 above, indicate whether any of the following potential conflict of interest relationships apply. If "Yes," please describe each situation (label with appropriate letter) using the space at end of this Section (attach additional pages as necessary). If no individual has been identified in c-1 above, mark not applicable (n/a) here \_\_\_\_\_.

- (a) State employment, currently or in the previous 3 years, including contractual employment of services directly with the individuals identified in Section 1 in their individual capacity unrelated to the Vendor's contract. Yes ☐ No ☐
- (b) State employment of spouse, father, mother, son, or daughter, including contractual employment for services in the previous 2 years. Yes ☐ No ☐
- (c) Elective status; the holding of elective office of the State of Illinois, the government of the United States, any unit of local government authorized by the Constitution of the State of Illinois or the statutes of the State of Illinois currently or in the previous 3 years. Yes ☐ No ☐
- (d) Relationship to anyone holding elective office currently or in the previous 2 years; spouse, father, mother, son, or daughter. Yes ☐ No ☐
- (e) Appointive office; the holding of any appointive government office of the State of Illinois, the United States of America, or any unit of local government authorized by the Constitution of the State of Illinois or the statutes of the State of Illinois, which office entitles the holder to compensation in excess of expenses incurred in the discharge of that office currently or in the previous 3 years. Yes ☐ No ☐
- (f) Relationship to anyone holding appointive office currently or in the previous 2 years; spouse, father, mother, son, or daughter. Yes ☐ No ☐
- (g) Employment, currently or in the previous 3 years, as or by any registered lobbyist of the State government. Yes ☐ No ☐
- (h) Relationship to anyone who is or was a registered lobbyist in the previous 2 years; spouse, father, mother, son, or daughter. Yes ☐ No ☐
- (i) Compensated employment, currently or in the previous 3 years, by any registered election or re-election committee registered with the Secretary of State or any county clerk in the State of Illinois, or any political action committee registered with either the Secretary of State or the Federal Board of Elections. Yes ☐ No ☐
- (j) Relationship to anyone; spouse, father, mother, son, or daughter; who is or was a compensated employee in the last 2 years of any registered election or reelection committee registered with the Secretary of State or any county clerk in the State of Illinois, or any political action committee registered with either the Secretary of State or the Federal Board of Elections. Yes ☐ No ☐

### Section 3: Current and Pending Contracts

Vendor shall identify each contract, pending contracts, bids, proposals and other ongoing procurement relationships it has with units of State of Illinois government by showing agency name and other descriptive information such as bid number, project title, purchase order number or contract reference number. (Attach additional pages as necessary. Show "none" if appropriate.)

#### Minority, Female, Persons with Disability Status and Subcontracting

The Business Enterprise Program Act for Minorities, Females and Persons with Disabilities (BEP) (30 ILCS 575) establishes a goal for contracting with businesses that have been certified as owned and controlled by persons who are minority, female or who have disabilities.

**Contract Goal to be achieved by the Vendor:** This contract includes a specific Business Enterprise Program (BEP) utilization goal of 7% based on the availability of certified vendors to perform the anticipated direct subcontracting opportunities of this contract. In addition to the other award criteria established for this contract, the Agency will award this contract to a Vendor that meets the goal or makes good faith efforts to meet the goal. This goal is also applicable to change orders and allowances within the scope of work provided by the certified vendor.

Following are guidelines for the Vendor's response in the Utilization Plan. A format for the utilization plan is included in this section. Vendor should include any additional information that will add clarity to the Vendor's proposed utilization of certified vendors to meet the targeted goal. The Utilization Plan must demonstrate that the Vendor has either met the contract goal or that it has made good faith efforts to do so.

At the time of proposal submission, the Certified Vendor may not yet be certified with CMS Business Enterprise Program; however, the Certified Vendor must meet the eligibility requirements and be fully certified in the BEP Program before contract award. Visit [http://www.sell2.illinois.gov/bep/Business\\_Enterprise.htm](http://www.sell2.illinois.gov/bep/Business_Enterprise.htm) for complete requirements and to apply for certification in the Business Enterprise Program.

If applicable, the Plan should include an executed Joint Venture agreement specifying the terms and conditions of the relationship between the partners and their relationship and responsibilities to the contract. The joint venture agreement must clearly evidence that the certified vendor will be responsible for a clearly defined portion of the work and that its responsibilities, risks, profits and contributions of capital and personnel are proportionate to its ownership percentage. It must include specific details related to the parties' contributions of capital, personnel and equipment and share of the costs of insurance and other items; the scopes to be performed by the certified vendor's own forces and under its supervision; and the commitment of management, supervisory personnel and operative personnel employed by the certified vendor to be dedicated to the performance of the contract. Each joint venture partner must execute the proposal to the Agency.

An agreement between a Vendor and a certified vendor in which the certified vendor promises not to provide subcontracting quotations to other vendors is prohibited. The Agency may request additional information to demonstrate compliance. The Vendor agrees to cooperate promptly with the Agency in submitting to interviews, allowing entry to places of business, providing further documentation, or soliciting the cooperation of a proposed certified vendor. Failure to cooperate may render the proposal non-responsive. The contract will not be finally awarded until the Vendor's Utilization Plan is approved.

**Certified Vendor Locator References:** Vendors may consult CMS' BEP Certified Vendor Directory at [www.sell2.illinois.gov/bep/Small\\_and\\_Diverse\\_Businesses.htm](http://www.sell2.illinois.gov/bep/Small_and_Diverse_Businesses.htm), as well as the directories of other certifying agencies but subcontracting vendors must be certified by CMS as BEP vendors before the time of contract award.

**Vendor Assurance:** The Vendor shall not discriminate on the basis of race, color, national origin, sexual orientation or sex in the performance of this contract. Failure by the Vendor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy, as the Agency deems appropriate. This assurance must be included in each subcontract that the Vendor signs with a subcontractor or supplier.

**Calculating Certified Vendor Participation:** The Utilization Plan documents work anticipated to be performed by all certified vendors and paid for upon satisfactory completion. Only the value of payments made for the work actually performed by certified BEP vendors is counted toward the contract goal. Counting guidelines are summarized below:

- 1) The value of the work actually performed by the certified vendor's forces shall be counted towards the goal. The entire amount of that portion of the contract that is performed by the certified vendor's forces, including supplies purchased or equipment leased by the BEP vendor shall be counted, except supplies purchased and equipment rented from the Vendor.
- 2) A joint venture shall count the portion of the total dollar value of the contract equal to the distinct, clearly defined portion of the work of the contract that the certified vendor performs with its forces toward the goal. A joint venture shall also count the dollar value of work subcontracted to other certified vendors. Work performed by the forces of a non-certified joint venture partner shall not be counted toward the goal.
- 3) When a certified vendor subcontracts part of the work of its contract to another firm, the value of the subcontracted work shall be counted toward the contract goal only if the certified vendor's subcontractor is a certified vendor. Work that a certified vendor subcontracts to a non-certified vendor will not count towards the goal.
- 4) A Vendor shall count towards the goal 100% of its expenditures for materials and supplies required under the contract and obtained from a certified vendor manufacturer, regular dealer or supplier.

5) A Vendor shall count towards the goal the following expenditures to certified vendors that are not manufacturers, regular dealers or suppliers:

(a) The fees or commissions charged for providing a bona fide service, such as professional, technical, consultant or managerial services and assistance in the procurement of essential personnel, facilities, equipment, materials or supplies required for performance of the contract, provided that the fee or commission is determined by the Agency to be reasonable and not excessive as compared with fees customarily allowed for similar services.

(b) The fees charged for delivery of materials and supplies required by the contract (but not the cost of the materials and supplies themselves) when the hauler, trucker, or delivery service is not also the manufacturer of or a regular dealer in the materials and supplies, provided that the fee is determined by the Agency to be reasonable and not excessive as compared with fees customarily allowed for similar services. The certified vendor trucking firm must be responsible for the management and supervision of the entire trucking operation for which it is responsible on the contract, and must itself own and operate at least one fully licensed, insured and operational truck used on the contract.

(c) The fees or commissions charged for providing any bonds or insurance specifically required for the performance of the contract, provided that the fee or commission is determined by the Agency to be reasonable and not excessive as compared with fees customarily allowed for similar services.

6) A Vendor shall count towards the goal only expenditures to firms that perform a commercially useful function in the work of the contract.

(a) A firm is considered to perform a commercially useful function when it is responsible for execution of a distinct element of the work of a contract and carries out its responsibilities by actually performing, managing, and supervising the work involved. The certified vendor must also be responsible, with respect to materials or supplies used on the contract, for negotiating price, determining quality and quantity, ordering the materials or supplies, and installing the materials (where applicable) and paying for the material or supplies. To determine whether a firm is performing a commercially useful function, the Agency shall evaluate the amount of work subcontracted, whether the amount the firm is to be paid under the contract is commensurate with the work it is actually performing and the credit claimed for its performance of the work, industry practices, and other relevant factors.

(b) A certified vendor does not perform a commercially useful function if its role is limited to that of an extra participant in a transaction or contract through which funds are passed in order to obtain certified vendor participation. In determining whether a certified vendor is such an extra participant, the Agency shall examine similar transactions, particularly those in which certified vendors do not participate, and industry practices.

7) A Vendor shall not count towards the goal expenditures that are not direct, necessary and proximately related to the work of the contract. Only the amount of services or goods that are directly attributable to the performance of the contract shall be counted. Ineligible expenditures include general office overhead or other Vendor support activities.

**Good Faith Effort Procedures:** If the Vendor cannot meet the goal, the Vendor must document in the Utilization Plan its good faith efforts that could reasonably have been expected to meet the goal. The Agency will consider the quality, quantity, and intensity of the Vendor's efforts.

1) The following is a list of types of action that the Agency will consider as evidence of the Vendor's good faith efforts to meet the goal. Other factors or efforts brought to the attention of the Agency may be relevant in appropriate cases.

(a) Soliciting through all reasonable and available means (e.g., attendance at pre-bid meetings, advertising and/or written notices) the interest of all certified vendors that have the capability to perform the work of the contract. The Vendor must solicit this interest within sufficient time to allow the certified vendors to respond to the solicitation. The Vendor must determine with certainty if the certified vendors are interested by taking appropriate steps to follow up initial solicitations and encourage them to bid. The Vendor must provide interested certified vendors with adequate information about the plans, specifications, and requirements of the contract in a timely manner to assist them in responding promptly to the solicitation.

(b) Selecting portions of the work to be performed by certified vendors in order to increase the likelihood that the goal will be achieved. This includes, where appropriate, breaking out contract work items into economically feasible units to facilitate certified vendor participation, even when the Vendor might otherwise prefer to perform these work items with its own forces.

(c) Making a portion of the work available to certified vendors and selecting those portions of the work or material needs consistent with their availability, so as to facilitate certified vendor participation.

(d) Negotiating in good faith with interested certified vendors. Evidence of such negotiation includes the names, addresses, and telephone numbers of certified vendors that were considered; a description of the information provided regarding the plans and specifications for the work selected for subcontracting and evidence as to why additional agreements could not be reached for certified vendors to perform the work. A Vendor using good business judgment will consider a number of factors in negotiating with certified vendors and will take a firm's price and capabilities into consideration. The fact that there may be some additional costs involved in finding and using certified vendors is not in itself sufficient reason for a Vendor's failure to meet the goal, as long as such costs are reasonable. Vendors are not required to accept higher quotes from certified vendors if the price difference is excessive or unreasonable.

(e) Thoroughly investigating the capabilities of certified vendors and not rejecting them as unqualified without sound reasons. The certified vendor's memberships in specific groups, organizations, or associations and political or social affiliations are not legitimate causes for the rejection or non-solicitation of bids in the Vendor's efforts to meet the goal.

(f) Making efforts to assist interested certified vendors in obtaining lines of credit or insurance as required by the Agency, the Vendor or to perform the scope of work.

(g) Making efforts to assist interested certified vendors in obtaining necessary equipment, supplies, materials, or related assistance or services.

(h) Effectively using the services of available minority/women community organizations; minority/women vendors' groups; local, state, and federal minority/women business assistance offices; and other organizations that provide assistance in the recruitment and placement of certified vendors.

2) In evaluating the Vendor's good faith efforts, the good faith efforts of other vendors to meet the goal on this solicitation or similar contracts may be considered.

3) If the Agency determines that the Vendor has made good faith efforts to meet the goal, the Agency will award the contract provided that the Vendor is otherwise eligible for award. If the Agency determines that the Vendor has not made good faith efforts, the Agency will notify the Vendor of that preliminary determination. The preliminary determination shall include a statement of reasons why good faith efforts have not been found, and may include additional good faith efforts that the Vendor could take. The Vendor shall have 5 business days to make the suggested good faith efforts and any other additional good faith efforts to meet the goal. The Vendor shall submit an amended Utilization Plan if additional certified vendor commitments to meet the goal are secured. If additional certified vendor commitments sufficient to meet the goal are not secured, the Vendor shall report the final good faith efforts made in the time allotted. All additional efforts taken by the Vendor will be considered. If the Agency determines that good faith efforts have not been made, it will notify the Vendor in writing of the reasons for its determination within 5 business days of receipt of the final Utilization Plan.

**Contract Compliance:** Compliance with this section is an essential part of the contract. The following administrative procedures and remedies govern the Vendor's compliance with the contractual obligations established by the Utilization Plan. After approval of the Plan and award of the contract, the Utilization Plan becomes part of the contract. If the Vendor did not succeed in obtaining enough certified vendor participation to achieve the goal, and the Utilization Plan was approved and contract awarded based upon a determination of good faith, the total dollar value of certified vendor work calculated in the approved Utilization Plan as a percentage of the awarded contract value shall become the contract goal.

1) The Utilization Plan may not be amended without the Agency's prior written approval.

2) The Vendor may not make changes to its contractual BEP certified vendor commitments or substitute BEP certified vendors without the prior written approval of the Agency. Unauthorized changes or substitutions, including performing the work designated for a certified vendor with the Vendor's own forces, shall be a violation of the utilization plan and a breach of the contract, and shall be cause to terminate the contract, and/or seek other contract remedies or sanctions. The facts supporting the request for changes must not have been known nor reasonably should have been known by the parties prior to entering into the subcontract. The Vendor must negotiate with the certified vendor to resolve the problem. Where there has been a mistake or disagreement about the scope of work, the certified vendor can be substituted only where agreement cannot be reached for a reasonable price or schedule for the correct scope of work.

- 3) Substitutions of a certified vendor shall be permitted under the following circumstances:
  - (a) Unavailability after receipt of reasonable notice to proceed;
  - (b) Failure of performance;
  - (c) Financial incapacity;
  - (d) Refusal by the certified vendor to honor the bid or proposal price or scope;
  - (e) Material mistake of fact or law about the elements of the scope of work of a solicitation where a reasonable price cannot be agreed;
  - (f) Failure of the certified vendor to meet insurance, licensing or bonding requirements;
  - (g) The certified vendor's withdrawal of its bid or proposal; or
  - (h) Decertification of the certified vendor.
- 4) If it becomes necessary to substitute a certified vendor or otherwise change the Utilization Plan, the Vendor must notify the Agency in writing of the request to substitute a certified vendor or otherwise change the Utilization Plan. The request must state specific reasons for the substitution or change. The Agency will approve or deny a request for substitution or other change in the Utilization Plan within 5 business days of receipt of the request.
- 5) Where the Vendor has established the basis for the substitution to the Agency's satisfaction, it must make good faith efforts to meet the contract goal by substituting a certified vendor. Documentation of a replacement vendor, or of good faith efforts to replace the certified vendor, must meet the requirements of the initial Utilization Plan. If the goal cannot be reached and good faith efforts have been made, the Vendor may substitute with a non-certified vendor.
- 6) If a Vendor plans to hire a subcontractor for any scope of work that was not previously disclosed in the Utilization Plan, the Vendor must obtain the approval of the Agency to modify the Utilization Plan and must make good faith efforts to ensure that certified vendors have a fair opportunity to bid on the new scope of work.
- 7) A new subcontract must be executed and submitted to the Agency within 5 business days of the Vendor's receipt of the Agency's approval for the substitution or other change.
- 8) The Vendor shall maintain a record of all relevant data with respect to the utilization of certified vendors, including but without limitation, payroll records, invoices, canceled checks and books of account for a period of at least 5 years after the completion of the contract. Full access to these records shall be granted by the Vendor upon 48 hours written demand by the Agency to any duly authorized representative thereof, or to any municipal, state or federal authorities. The Agency shall have the right to obtain from the Vendor any additional data reasonably related or necessary to verify any representations by the Vendor. After the performance of the final item of work or delivery of material by a certified vendor and final payment to the certified vendor by the Vendor, but not later than 30 calendar days after such payment, the Vendor shall submit a statement confirming the final payment and the total payments made to the BEP vendor under the contract.
- 9) The Agency will periodically review the Vendor's compliance with these provisions and the terms of its contract. Without limitation, the Vendor's failure to comply with these provisions or its contractual commitments as contained in the Utilization Plan, failure to cooperate in providing information regarding its compliance with these provisions or its Utilization Plan, or provision of false or misleading information or statements concerning compliance, certification status or eligibility of certified vendors, good faith efforts or any other material fact or representation shall constitute a material breach of this contract and entitle the Agency to declare a default, terminate the contract, or exercise those remedies provided for in the contract or at law or in equity.
- 10) The Agency reserves the right to withhold payment to the Vendor to enforce these provisions and the Vendor's contractual commitments. Final payment shall not be made on the contract until the Vendor submits sufficient documentation demonstrating compliance with its Utilization Plan.

## UTILIZATION PLAN

\_\_\_\_\_ (the Vendor) submits the following Utilization Plan as part of our proposal in accordance with the requirements of the Minority, Female, Persons with Disability Status and Subcontracting section of the solicitation for \_\_\_\_\_. We understand that compliance with this section is an essential part of this contract and that the Utilization Plan will become a part of the contract, if awarded.

\_\_\_\_\_ (the Vendor) makes the following assurance and agrees to include the assurance in each subcontract with a subcontractor or supplier utilized on this contract: We shall not discriminate on the basis of race, color, national origin, sexual orientation or sex in the performance of this contract. Failure to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy, as the Agency deems appropriate.

Vendor's person responsible for compliance:

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Telephone: (\_\_\_\_) \_\_\_\_\_ extension \_\_\_\_\_

Email: \_\_\_\_\_

We submit one (1) of the following statements:

☐ We are certified (or are eligible and have applied to be certified) with BEP and plan to fully meet the BEP utilization goal through self-performance.

☐ We attach Section I to demonstrate our Plan fully meets the BEP utilization goal of \_\_\_\_\_% through subcontracting.

☐ We attach Section I to detail that we do not fully meet the BEP utilization goal. We also attach Section II, Demonstration of Good Faith Efforts.

Section I  
Utilization of Certified Vendors

Please submit a separate Section I for each proposed certified vendor.

To achieve the BEP utilization goal through subcontracting, the following is proposed:

- 1) The proposed certified vendor's company name, address and phone number:

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At the time of submission, the above certified vendor is:

- ☐ Certified with the CMS Business Enterprise Program (BEP)
- ☐ Meets the criteria and has submitted an application for certification with BEP  
(BEP certification must be completed before contract award)
- ☐ Certified as a disadvantaged, minority, or woman business enterprise with the following governmental agency or private organization:  
(BEP certification must be completed before contract award)

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- 2) A detailed description of the commercially useful work to be done by this certified vendor is as follows:

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- 3) The total estimated cost to the state for this contract is \$\_\_\_\_\_. The portion of the contract which will be subcontracted to this certified vendor is \$\_\_\_\_\_, or \_\_\_\_\_% of the total cost of the contract.

- 4) A notarized signed letter of intent between \_\_\_\_\_ (the Vendor) and \_\_\_\_\_ (the certified vendor) detailing the work to be performed by the certified vendor and the agreed upon rates or prices, conforming to the Utilization Plan is included.

- 5) A joint venture agreement is not required, as the arrangement between \_\_\_\_\_ and \_\_\_\_\_ is that of contractor/sub-contractor and not a joint venture.

or,

A joint venture agreement between \_\_\_\_\_ and \_\_\_\_\_ is included in lieu of the letter of intent.

- 6) The Vendor has not prohibited or otherwise limited \_\_\_\_\_ (certified vendor) from providing subcontractor quotes to other potential bidders/vendors.

We understand that the Agency may require additional information to verify our compliance and we agree to cooperate immediately in submitting to interviews, allowing entry to any of our office locations, providing further documentation, or soliciting the cooperation of our proposed certified vendor. We will maintain appropriate records relating to our utilization of the certified vendor including: invoices, cancelled checks, books of account, and time records.

## Section II

### Demonstration of Good Faith Efforts to Achieve BEP Subcontracting Goal

If the BEP subcontracting goal was not achieved, the Good Faith Efforts checklist (Section II A) and contacts log (Section II B) must be submitted with the solicitation response (or as otherwise specified by CMS). Failure to do so may render the Vendor's solicitation response non-responsive and cause it to be rejected, or render the Vendor ineligible for contract award, at CMS' sole discretion. The Vendor will promptly provide evidence in support of its Good Faith Efforts to CMS upon request.

#### Section II A

##### Good Faith Efforts Checklist

Insert on each line below the initials of the authorized Vendor representative who is certifying on behalf of the Vendor that the Vendor has completed the activities described below. If any of the items below were not completed, attach a detailed written explanation why each such item was not completed. If any other efforts were made to obtain BEP participation in addition to the items listed below, attach a detailed written explanation.

\_\_\_\_\_ Identified portions of the project work capable of performance by available BEP vendors, including, where appropriate, breaking out contract work items into economically feasible units to facilitate BEP participation even when the Vendor could perform those scopes with its own forces.

\_\_\_\_\_ Solicited through reasonable and available means (e.g., written notices, advertisements) BEP vendors to perform the types of work that could be subcontracted on this project, within sufficient time to allow them to respond.

\_\_\_\_\_ Provided timely and adequate information about the plans, specifications and requirements of the contract. Followed up initial solicitations to answer questions and encourage BEP vendors to submit proposals or bids.

\_\_\_\_\_ Negotiated in good faith with interested BEP vendors that submitted proposals or bids and thoroughly investigated their capabilities.

\_\_\_\_\_ Made efforts to assist interested BEP vendors in obtaining bonding, lines of credit, or insurance as may be required for performance of the contract (if applicable).

\_\_\_\_\_ Utilized resources available to identify available certified vendors, including but not limited to BEP assistance staff; local, state and federal minority or women business assistance offices; and other organizations that provide assistance in the recruitment and placement of diverse businesses.

#### Section II B

##### Good Faith Efforts Contacts Log for Soliciting

##### BEP Sub-consultant, Subcontractor or Supplier Participation

Use this form to document all contacts and responses (telephone, e-mail, fax, etc.) regarding the solicitation of BEP sub-consultants, subcontractors and suppliers. Duplicate as needed. (It is not necessary to show contacts with certified vendors with which the Vendor reached an agreement to participate on this project, as shown on Section I of this Plan.)

| Name of certified vendor firm | Date and method of contact | Scope of work solicited | Reason agreement was not reached |
|-------------------------------|----------------------------|-------------------------|----------------------------------|
|                               |                            |                         |                                  |
|                               |                            |                         |                                  |
|                               |                            |                         |                                  |
|                               |                            |                         |                                  |
|                               |                            |                         |                                  |

Letter of Intent (LOI)  
Between Prime Vendor and Certified Vendor

**Instructions:** The responsive offeror is required to submit this signed and notarized Letter of Intent from each certified vendor identified on the Utilization Plan. LOIs must be submitted with the proposal and must be notarized by both parties. Submit a separate LOI for each proposed certified vendor. The amount and scope of work indicated on each LOI shall be the actual amount indicated on the Utilization Plan submitted with the proposal and approved by the Agency.

Changes to the Utilization Plan including substitution of certified vendors are permitted only after award of the contract and only with prior written approval of the Agency. A request for changes to the Utilization Plan must be submitted on the *Request for Change of Utilization Plan Form* for all levels of subcontracting. LOIs must be submitted for all additions of certified vendors to the Utilization Plan prior to the start of work.

Project Name \_\_\_\_\_ Project/Solicitation Number: \_\_\_\_\_

Name of Prime Vendor: \_\_\_\_\_

Address: \_\_\_\_\_  
Street City State Zip Code

Telephone: ( ) \_\_\_\_\_ Fax: ( ) \_\_\_\_\_ Email: \_\_\_\_\_

Name of Certified Vendor: \_\_\_\_\_

Address: \_\_\_\_\_  
Street City State Zip Code

Telephone: ( ) \_\_\_\_\_ Fax: ( ) \_\_\_\_\_ Email: \_\_\_\_\_

Type of agreement: ☐ Services ☐ Supplies ☐ Both Services/Supplies

Type of payment: ☐ Lump Sum \_\_\_\_\_ ☐ Hourly Rate \_\_\_\_\_ ☐ Unit Price \_\_\_\_\_

Period of Performance: \_\_\_\_\_ Proposed Subcontract Amount \$ \_\_\_\_\_ or Proposed % of Contract \_\_\_\_\_

Description of work to be performed by certified vendor:

List the governmental agency or private organization with whom the certified vendor is currently certified as a disadvantaged, minority, or woman business enterprise.

The prime vendor and the certified vendor above hereby agree that upon the execution of a contract for the above-named project between the prime vendor and the State of Illinois, the certified vendor will perform the scope of work for the price as indicated above.

Prime Vendor (Company Name and D/B/A):

Certified Vendor (Company Name and D/B/A):

\_\_\_\_\_

\_\_\_\_\_

Signature

Signature

Printed Name

Printed Name

Title: \_\_\_\_\_ Date: \_\_\_\_\_

Title: \_\_\_\_\_ Date: \_\_\_\_\_

Subscribed and sworn before me this  
\_\_\_\_\_ day of \_\_\_\_\_, 200\_\_.

Subscribed and sworn before me this  
\_\_\_\_\_ day of \_\_\_\_\_, 200\_\_.

Notary Public

My Commission expires: \_\_\_\_\_

Notary Public

My Commission expires: \_\_\_\_\_

TAXPAYER IDENTIFICATION NUMBER

I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. person (including a U.S. resident alien).
  - If you are an individual, enter your name and SSN as it appears on your Social Security Card.
  - If you are a sole proprietor, enter the owner's name on the name line followed by the name of the business and the owner's SSN or EIN.
  - If you are a single-member LLC that is disregarded as an entity separate from its owner, enter the owner's name on the name line and the d/b/a on the business name line and enter the owner's SSN or EIN.
  - If the LLC is a corporation or partnership, enter the entity's business name and EIN and for corporations, attach IRS acceptance letter (CP261 or CP277).
  - For all other entities, enter the name of the entity as used to apply for the entity's EIN and the EIN.

Name: \_\_\_\_\_

Business Name: \_\_\_\_\_

Taxpayer Identification Number:

Social Security Number \_\_\_\_\_  
or  
Employer Identification Number \_\_\_\_\_

Legal Status (check one):

- |                                                                                                      |                                                                                           |
|------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|
| <input type="checkbox"/> Individual                                                                  | <input type="checkbox"/> Governmental                                                     |
| <input type="checkbox"/> Sole Proprietor                                                             | <input type="checkbox"/> Nonresident alien                                                |
| <input type="checkbox"/> Partnership                                                                 | <input type="checkbox"/> Estate or trust                                                  |
| <input type="checkbox"/> Legal Services Corporation                                                  | <input type="checkbox"/> Pharmacy (Non-Corp.)                                             |
| <input type="checkbox"/> Tax-exempt                                                                  | <input type="checkbox"/> Pharmacy/Funeral Home/Cemetery (Corp.)                           |
| <input type="checkbox"/> Corporation providing or billing<br>medical and/or health care services     | <input type="checkbox"/> Limited Liability Company (select applicable tax classification) |
| <input type="checkbox"/> Corporation NOT providing or billing<br>medical and/or health care services | <input type="checkbox"/> D = disregarded entity                                           |
|                                                                                                      | <input type="checkbox"/> C = corporation                                                  |
|                                                                                                      | <input type="checkbox"/> P = partnership                                                  |

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

## SECTION 6 - RESPONSIVENESS

For this solicitation, you will need to respond to each of the points identified in Section 3 of the Solicitation. You must follow the format shown or referenced below.

The Proposal must be tabbed with the required documents provided in the following order:

1. TABLE OF CONTENTS
2. OFFER TO STATE OF ILLINOIS (see Section 4)
3. RESPONSIBILITY FORMS (see Section 5) Presented in the order listed, separated by a tab for each of the forms.

Business and Directory Information  
Conflict of Interest Disclosures  
Completed and Signed Taxpayer Identification Number form

4. REFERENCES & OTHER DOCUMENTS

Provide information required in Sections 3.6.1 & 3.6.2, separated by a tab for each category in the order listed.

References  
Organization Chart  
Resumes  
Staffing Proposal

Provide information required in Sections 7.7 & 7.8, separated by a tab for each in the order listed.

Subcontractors  
Work Location Disclosure

5. PROPOSAL FOR REQUIRED SERVICES. Must be addressed in the order presented in Section 3.2, identifying each of the eleven sections/subsections as numbered in Section 3.2, with each of the eleven sections/subsections separated by a tab.
6. PROPOSALS and PRICES FOR ADDITIONAL SERVICES. Presented in the order listed in Section 3.3, identifying each of the sections/subsections as numbered in Section 3.3, separated by a tab for each of the two services. Vendor's proposal must include a separate proposal and price for each of these additional services. Do not include pricing information in the technical proposal. Pricing must be included in a separate sealed envelop within the offer container.

Employer database cleanup and maintenance  
Medical support order data entry cleanup

7. EXCEPTIONS. If Exceptions are indicated on the OFFER TO STATE OF ILLINOIS form, the details of the exceptions are to be provided in this section for each section identified on this form.

## SECTION 7 - PRICE

**7.0 PRICE SUBMISSION:** The Price Proposals for both the Required Services (Section 3.2) and the Additional Services (Section 3.3) must be submitted in a separate, sealed envelope or container in the Offer container. The Vendor will provide its Price Proposal in accordance with the specifications provided below for the services specified in this document. Required pricing details are shown below.

**7.1 METHOD AND RATE OF COMPENSATION:** Vendors shall be compensated for the initial term and any renewal contract years of operation with payments to be made in monthly installments.

**7.2 MAXIMUM COMPENSATION FOR SUPPLIES AND SERVICES:** For Required Services, the Vendor must provide a total bid for the initial contract term of two (2) years and stipulate that half of this price amount is the annual amount for the purpose of monthly invoicing and this annual amount is the same price amount for any subsequent one year renewal. The annual price amount will be divided into twelve (12) monthly payments.

☒ Firm Price See tables below  
☐ Estimated Price \_\_\_\_\_

| Modification & Employment<br>Required Services<br>(Section 3.2) | Initial Term<br>FY 2010 & 2011 | Renewal 1<br>FY 2012 | Renewal 2<br>FY 2013 | Renewal 3<br>FY 2014 |
|-----------------------------------------------------------------|--------------------------------|----------------------|----------------------|----------------------|
|                                                                 |                                |                      |                      |                      |

For the following Additional Services, the Vendor must provide a total annual price for all services described in Section 3.3. Pricing for the following services will not be evaluated. Rather it is being requested for contract purposes only.

| Additional Services<br>(Section 3.3)        | FY 2010 | FY 2011 | Renewal 1<br>FY 2012 | Renewal 2<br>FY 2013 | Renewal 3<br>FY 2014 |
|---------------------------------------------|---------|---------|----------------------|----------------------|----------------------|
| Employer Database<br>Cleanup/Maintenance    |         |         |                      |                      |                      |
| Medical Support Order Data<br>Entry Cleanup |         |         |                      |                      |                      |

**7.3 EXPENSES:** Unless otherwise specified, this contract does not allow for reimbursement of any expense incurred by Vendor, including but not limited to telephone or other communications device, postage, copying, travel, transportation, lodging, food and per diem.

**7.4 PAYMENT TERMS AND CONDITIONS (including when paid, frequency and retainage):** Payment will be made to the Vendor on a monthly basis. Vendor will be required to submit an invoice to HFS covering the services provided during the month. Vendor will submit the monthly invoice by the tenth (10th) of the month for the preceding month's services. HFS will use its best efforts to initiate payment of completed and approved invoices within 30 days after receipt of such invoices from the Vendor. Payments are subject to performance adjustments (see Section 3.5.2).

**7.5 DISCOUNTS:** \_\_\_\_% discount for payment within \_\_\_\_ days of delivery. This discount will not be a factor in making the award.

**7.6 TAX EXEMPTIONS:** State and Federal tax exemption information is available upon request.

**7.7 SUBCONTRACTORS:** Vendor shall identify the names and addresses of all subcontractors utilized by Vendor in the performance of this Contract, together with the anticipated amount of money that each subcontractor is expected to receive pursuant to this Contract. The State may request updated information at any time. For purposes of this section, subcontractors are those specifically hired to perform all or part of the work of this contract or to provide the supplies requested by the State.

Subcontractor Name

Amount to be paid

**7.8 WORK LOCATION DISCLOSURE:** Vendor shall disclose the location where the services required shall be performed. If at multiple locations, the known or anticipated value of the services performed at each location shall be identified. This information and economic impact on Illinois and its residents may be considered in the evaluation. If the selected Vendor receives additional consideration in the evaluation based on work being performed in the United States, the resulting contract shall contain a provision that any shift in such work outside the United States may be considered a breach of contract.

Location where services will be performed \_\_\_\_\_  
Value of services performed at this location \_\_\_\_\_

Location where services will be performed \_\_\_\_\_  
Value of services performed at this location \_\_\_\_\_

## SECTION 8 - CONTRACT

We expect to contract based on the terms and conditions as set forth in the attached State of Illinois Contract. If you are unable to accept one or more parts of the Contract, identify any exception that you want us to consider. You may show these changes on the Contract form itself by striking over language you find problematic, and underlining alternate language or by listing the sections and showing the alternate language on a separate page. You must provide these exceptions requests and alternate language with your Offer. Please note that most contract provisions are required by law or important policy and we have very limited ability to consider and accept changes you might propose. Any proposed changes may be considered in the evaluation.

# CONTRACT

The Parties to this Contract are the State of Illinois acting through the undersigned Agency (collectively the State) and the Vendor. The Contract consists of this signature page, the following pages detailing the contents described below, and any attachments identified on these pages.

1. TERM AND TERMINATION
2. DESCRIPTION OF SUPPLIES / SERVICES
3. PRICING
4. STANDARD TERMS AND CONDITIONS
5. CERTIFICATIONS AND CONFLICTS
6. SUPPLEMENTAL PROVISIONS

In consideration of the mutual covenants and agreements contained in this Contract, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree to the terms and conditions set forth herein and have caused this Contract to be executed by their duly authorized representatives on the dates shown below.

VENDOR  
(insert vendor name)

Signature \_\_\_\_\_

Printed Name \_\_\_\_\_

Title \_\_\_\_\_ Date \_\_\_\_\_

Address \_\_\_\_\_

\_\_\_\_\_

Phone \_\_\_\_\_ Fax \_\_\_\_\_

E-mail \_\_\_\_\_

STATE OF ILLINOIS  
Illinois Department of Healthcare and Family Services

Official Signature \_\_\_\_\_

Printed Name Barry S. Maram

Title Director Date \_\_\_\_\_

Designee Signature \_\_\_\_\_

Printed Name \_\_\_\_\_

Title \_\_\_\_\_

Address 201 South Grand Avenue East

Springfield, IL 62763-00

Phone 217.782.1200 Fax \_\_\_\_\_

E-mail hfswebmaster@illinois.gov

## STATE USE ONLY

## NOT PART OF CONTRACTUAL PROVISIONS

PBC# \_\_\_\_\_

Contract # \_\_\_\_\_

Project Title \_\_\_\_\_

Procurement Method (IFB, RFP, Small, etc): \_\_\_\_\_ Award Code: \_\_\_\_\_

IPB Publication Date: \_\_\_\_\_ IPB Ref. # \_\_\_\_\_

Subcontractor Utilization? Yes ☐ No ☐ Subcontractor Disclosure? Yes ☐ No ☐

Funding Source \_\_\_\_\_ Obligation # \_\_\_\_\_

CMS Program Compliance \_\_\_\_\_

Fiscal Compliance \_\_\_\_\_

Legal Compliance \_\_\_\_\_

Executive Compliance \_\_\_\_\_

9-2008

1. TERM AND TERMINATION

1.1 TERM OF THIS CONTRACT: The term of the Contract shall be from July 1, 2009 through June 30, 2011.

1.2 RENEWAL: The State reserves the right to renew this contract for a total of three years for the periods of July 1, 2011 through June 30, 2012, July 1, 2012 through June 30, 2013, and July 1, 2013, through June 30, 2014..

1.3 TERMINATION FOR CAUSE: The State may terminate this Contract, in whole or in part, immediately upon notice to the Vendor if it is determined that the actions, or failure to act, of the Vendor, its agents, employees or subcontractors have caused, or reasonably could cause jeopardy to health, safety, or property. If Vendor fails to perform to the State's satisfaction any material requirement of this Contract or is in violation of a material provision of this Contract, the State shall provide written notice to the Vendor requesting that the breach or noncompliance be remedied within the period of time specified in the State's written notice. If the breach or noncompliance is not remedied by that date the State may either: (a) immediately terminate the Contract without additional written notice or, (b) enforce the terms and conditions of the Contract, and in either event seek any available legal or equitable remedies and damages.

1.4 TERMINATION FOR CONVENIENCE: Following thirty (30) days written notice, the State may terminate this Contract in whole or in part without the payment of any penalty or incurring any further obligation to the Vendor. Following any such termination for convenience, the Vendor shall be entitled to compensation upon submission of invoices and proof of claim for services provided under this Contract up to and including the date of termination.

## 2. DESCRIPTION OF SUPPLIES AND SERVICES

### 2.1 GOALS AND OBJECTIVES:

The Department's goal is to ensure provision of support order modification services and the enforcement services for the automated income withholding process, unemployment insurance benefits offsets and the National Medical Support Notice, order entry, quality control for legal action referrals, follow up to ensure compliance by employers with New Hire reporting requirements and customer service related to all services provided. All services must be in compliance with Title IV-D of the Social Security Act, other federal requirements and state guidelines as may be required throughout the term of the Contract.

### 2.2 SUPPLIES AND/OR SERVICES REQUIRED:

[ The Agency will complete this section after procurement award is finalized.]

### 2.3 MILESTONES AND DELIVERABLES

Requirements for this section are covered in Section 2.2 and in Section 2.5

### 2.4 VENDOR / STAFF SPECIFICATIONS:

**2.4.1 SUBCONTRACTORS:** Vendor shall identify the names and addresses of all subcontractors utilized by Vendor in the performance of this Contract, together with the anticipated amount of money that each subcontractor is expected to receive pursuant to this Contract. The State may request updated information at any time. For purposes of this section, subcontractors are those specifically hired to perform all or part of the work of this contract or to provide the supplies requested by the State.

Subcontractor Name

Amount to be paid

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### 2.5 OTHER SPECIFICATIONS:

2.5.1 Vendor shall provide an on-time start-up with no disruption in service and shall be in compliance with performance levels.

2.5.2 Vendor shall provide all necessary equipment. The Department may provide available office furniture currently in use at the Chicago location, 32 West Randolph St., referenced in Section 2.6.

2.5.3 Access to KIDS will be provided by the Department to the Vendor as required to perform the services indicated.

2.5.4 Unless otherwise specified, Vendor is required to provide all computer software and hardware.

**2.6 WHERE SERVICES ARE TO BE PERFORMED:** Vendor shall establish and maintain a local presence in Cook County by being located in close proximity to the Division of Child Support Enforcement's (DCSE) Chicago Office located at 32 West Randolph, Chicago, Illinois 60601. Unless otherwise specified in this section all services shall be performed in the United States. If the Vendor creates or manufactures the supplies or performs any of the work in another country in violation of the Contract, such action may be deemed a breach of the Contract. Vendor shall disclose the location where the services required shall be performed. If at multiple locations, the known or anticipated value of the services performed at each location shall be identified. If the Vendor received additional consideration in the evaluation based on work being performed in the United States, it shall be a breach of contract if the Vendor shifts any such work outside the United States.

Location where services will be performed \_\_\_\_\_

Value of services performed at this location \_\_\_\_\_

Location where services will be performed \_\_\_\_\_

Value of services performed at this location \_\_\_\_\_

**2.7 SCHEDULE OF WORK:** Any work performed on State premises shall be done during the hours designated by the State and performed in a manner that does not interfere with the State and its personnel.

### 2.8 WARRANTIES FOR SUPPLIES AND SERVICES:

2.8.1 Vendor warrants that the supplies furnished under this Contract (a) will conform to the State's manufacturing standards, specifications, drawing, samples or descriptions furnished by the State, including but not limited to all specifications attached as exhibits hereto, (b) will be merchantable, of good quality and workmanship, free from defects for a period of twelve months or longer if specified in writing, and fit and sufficient for the intended use (c) will comply with all federal and state laws, regulations and ordinances pertaining to the manufacturing, packing, labeling, sale and delivery of the supplies (d) will be of good title and be free and clear of all liens and encumbrances

and (e) will not infringe any patent, copyright or other intellectual property rights of any third party. Vendor agrees to reimburse the State for any losses, costs, damages or expenses, including without limitations, reasonable attorney's fees and expenses, arising from failure of the supplies to meet such warranties. Vendor shall insure that all manufacturers' warranties are transferred to the State and shall provide a copy of the warranty. These warranties shall be in addition to all other warranties, express, implied or statutory, and shall survive the State's payment, acceptance, inspection or failure to inspect the supplies.

2.8.2 Vendor warrants that all services will be performed in a good and professional manner to industry standards by trained and competent personnel. Vendor shall monitor performances of each individual and shall reassign immediately any individual who is not performing to professional standards, who is not efficient or effective in performing the work of the contract, who is disruptive or not respectful of others in the workplace, or who in any way violates the Contract or State policies.

2.9 REPORTING, STATUS AND MONITORING SPECIFICATIONS:

2.9.1 Vendor shall immediately notify the State of any event that may have a material impact on Vendor's ability to perform the Contract.

2.9.2 Upon request and on forms provided by Agency, Vendor shall report the number of qualified veterans and certain ex-offenders hired during Vendor's last completed fiscal year. Vendor may be entitled to employment tax credit for hiring individuals in those groups (PA 94-1067).

2.9.3 Vendor must meet the performance goals specified for each service in this section. Performance will be evaluated on a quarterly basis. For any quarter in which the vendor does not meet the performance goals specified for each service, a payment adjustment based upon performance shall be imposed with the payment made the following month. (see Section 3). Case referral completion will be determined in accordance with 1) the established time frames as outlined in the RFP and in compliance with state and federal regulations; 2) accuracy as outlined in the RFP. The monthly payment amount will be adjusted by a percentage of the quarterly payment amount in accordance with the following accurate and timely case completion schedule.

|                     |   |                       |
|---------------------|---|-----------------------|
| 100% - 95% of cases | - | No payment adjustment |
| 94% - 93% of cases  | - | 0.5%                  |
| 92% to 91% of cases | - | 1%                    |
| 90% of cases        | - | 2%                    |
| 89% of cases        | - | 4%                    |
| 88% of cases        | - | 6%                    |
| 87% of cases        | - | 8%                    |
| 85% of cases        | - | 10%                   |
| 85% - 80% of cases  | - | 15%                   |
| below 80% of cases  | - | 20%                   |

The vendor's performance will be determined by monitoring for accuracy and timeliness. When the entire workload is not reviewed, the size of the case sample shall be determined using standard statistical methodology, with a confidence level of 95% and a confidence interval of 5.

Failure to accomplish at least 80% of cases will constitute a breach of the agreement and may lead to termination.

2.9.4 Vendor shall cooperate with the State in this monitoring and tracking activity, and will report progress and problems (with proposed resolutions), and shall provide a monthly report of all activities, in a format approved by the Department, by the 10th business day following the end of the month. The vendor agrees to allow random inspections of its facilities, participate in scheduled meetings and provide special management reports as requested by the State.

3. PRICING

3.1 METHOD AND RATE OF COMPENSATION: Vendor shall be compensated by the following method:

- ☐ hourly \_\_\_\_\_  
☐ monthly \_\_\_\_\_  
☐ annually \_\_\_\_\_  
☐ project \_\_\_\_\_  
☐ item \_\_\_\_\_

3.2 MAXIMUM COMPENSATION FOR SUPPLIES AND SERVICES:

- ☐ Firm Price \_\_\_\_\_  
☐ Estimated Price \_\_\_\_\_

3.3 RENEWAL COMPENSATION: If this contract is renewed, the annual price shall be the same as the annual amount under the initial term.

3.4 EXPENSES: This Contract does not allow for reimbursement of any expense incurred by Vendor, including but not limited to telephone or other communications device, postage, copying, travel, transportation, lodging, food and per diem.

3.5 DISCOUNT: \_\_\_\_\_ % discount for payment within \_\_\_\_\_ days of receipt of invoice

3.6 TAX: Vendor shall not bill for any taxes unless accompanied by proof the State is subject to the tax. If necessary, Vendor may request the applicable Agency's Illinois tax exemption number and federal tax exemption information.

3.7 INVOICING: Vendor shall submit invoices to the Agency by the 10<sup>th</sup> Day of each month for services provided during the preceding month. Send invoices to Sue Balster, Healthcare and Family Services, Division of Finance, 509 South 6th Street, 5th Floor, Springfield, Illinois 62701. All submitted invoices to the Agency must contain a statement that reads substantially as follows: "The Vendor hereby certifies that the supplies provided and services performed and expense incurred as stated in the attached invoice have met all the required standards set forth in the Contract."

3.8 PAYMENT TERMS AND CONDITIONS:

3.8.1 By submitting an invoice, Vendor certifies that the supplies or services provided meet all requirements of the Contract, and the amount billed and expenses incurred are as allowed in the Contract. Invoices for supplies purchased, services performed and expenses incurred through June 30 of any year must be submitted to the State no later than July 31 of that year; otherwise Vendor may have to seek payment through the Illinois Court of Claims (30 ILCS 105/25). All invoices are subject to statutory offset (30 ILCS 210).

3.8.2 Payments, including late payment charges, will be paid in accordance with the State "Prompt Payment Act" (30 ILCS 540) and rules (74 Ill. Adm. Code 900) when applicable. Payments delayed at the beginning of the State's fiscal year (July and August payments) because of the appropriation process shall not be considered a breach.

3.8.3 The State shall not be liable to pay for supplies provided or services rendered, including related expenses incurred prior to the execution of this Contract by the Parties and the beginning of the term of this Contract.

3.8.4 As a condition of receiving payment Vendor must pay its employees prevailing wages when required by law (e.g., public works, printing, janitorial, window washing, building and grounds services, site technician services, natural resource services, security guard and food services). Vendor is responsible for contacting the Illinois Dept. of Labor (217-782-6206; <http://www.state.il.us/agency/idol/index.htm>) to ensure understanding of prevailing wage requirements (30 ILCS 500/25-60(b)).

3.8.5 As a condition of receiving payment Vendor must pay its suppliers and subcontractors according to the terms of their respective contracts. Vendor shall provide lien waivers to the State upon request.

3.8.6 Vendor must meet the performance goals specified for each service in Section 2. For any quarter in which the vendor does not meet the performance goals specified for each service, a payment adjustment based upon performance shall be imposed with the payment made the following month. Payment adjustments assessed to the vendor will be applied cumulatively against the entire monthly contract amount and will not be prorated per service. Any payment adjustment assessed to the vendor will be retained by the Department and is not recoverable.

#### 4. STANDARD TERMS AND CONDITIONS

4.1 **AVAILABILITY OF APPROPRIATION (30 ILCS 500/20-60):** State shall use its best efforts to secure sufficient appropriations to fund this Contract. However, the State, at its sole option, may terminate or suspend this contract, in whole or in part, without penalty or further payment being required, if the Illinois General Assembly or the federal funding source fails to make an appropriation sufficient to pay such obligation, or if funds needed are insufficient for any reason.

4.2 **AUDIT/RETENTION OF RECORDS (30 ILCS 500/20-65):** Vendor and its subcontractors shall maintain books and records relating to the performance of the Contract or subcontract and necessary to support amounts charged to the State under the Contract or subcontract. Books and records, including information stored in databases or other computer systems, shall be maintained by the Vendor for a period of three years from the later of the date of final payment under the Contract or completion of the Contract, and by the subcontractor for a period of three years from the later of final payment under the term or during the three year period thereafter. Books and records required to be maintained under this section shall be available for review or audit by representatives of the State, the Auditor General, the Executive Inspector General and other governmental entities with monitoring authority, upon reasonable notice and during normal business hours. Vendor and its subcontractors shall cooperate fully with any such audit and with any investigation conducted by any of these entities. Failure to maintain books and records required by this section shall establish a presumption in favor of the State for the recovery of any funds paid by the State under the Contract for which adequate books and records are not available to support the purported disbursement. The Vendor shall not impose a charge for audit or examination of the Vendor's books and records. If federal funds are used to pay contract costs, the Vendor must retain its records for five years. Vendor shall take reasonable steps to insure that any subcontractor is in compliance with the requirements of this section.

4.3 **TIME IS OF THE ESSENCE:** Time is of the essence with respect to Vendor's performance of this Contract. Except as specifically waived in writing, failure by either Party to exercise or enforce a right shall not affect any subsequent ability to exercise or enforce a right.

4.4 **FORCE MAJEURE:** Failure by either Party to perform its duties and obligations will be excused by unforeseeable circumstances beyond its reasonable control and not due to its negligence including acts of nature, acts of terrorism, riots, labor disputes, fire, flood, explosion, and governmental prohibition. The non-declaring party may cancel the Contract without penalty if performance does not resume within 30 days of the declaration.

4.5 **CONFIDENTIAL INFORMATION:** Each Party, including its agents and subcontractors, to this Contract may have or gain access to confidential data or information owned or maintained by the other Party in the course of carrying out its responsibilities under this Contract. The receiving Party shall presume all information received or to which it gains access pursuant to this Contract is confidential unless otherwise designated by the disclosing Party. No confidential data collected, maintained, or used in the course of performance of the Contract shall be disseminated except as authorized by law and with the written consent of the disclosing Party, either during the period of the Contract or thereafter. The receiving Party must return any and all data collected, maintained, created or used in the course of the performance of the Contract, in whatever form it is maintained, promptly at the end of the Contract, or earlier at the request of the disclosing Party, or notify the disclosing Party in writing of its destruction. The foregoing obligations shall not apply to confidential data or information lawfully in the receiving Party's possession prior to its acquisition from the disclosing Party; received in good faith from a third-party not subject to any confidentiality obligation to the disclosing Party; now is or later becomes publicly known through no breach of confidentiality obligation by the receiving Party; or is independently developed by the receiving Party without the use or benefit of the disclosing Party's confidential information.

4.6 **USE AND OWNERSHIP:** All work performed or supplies created by Vendor under this Contract, whether written documents or data, goods or deliverables of any kind, shall be deemed work-for-hire under copyright law and all intellectual property and other laws, and the State of Illinois is granted sole and exclusive ownership to all such work, unless otherwise agreed to herein. Vendor hereby assigns to the State all right, title, and interest in and to such work including any related intellectual property rights, and/or waives any and all claims that Vendor may have to such work including any so-called "moral rights" in connection with the work. Confidential data or information contained in such work shall be subject to Section 4.5 herein.

4.7 **INDEMNIFICATION AND LIABILITY:** The Vendor agrees to indemnify and hold harmless the State of Illinois, its agencies, officers, employees, agents and volunteers from any and all costs, demands, expenses, losses, claims, damages, liabilities, settlements and judgments, including in-house and contracted attorneys' fees and expenses, arising out of (a) any breach or violation by Vendor of any of its representations, warranties, covenants or agreements set forth herein, (b) any actual or alleged death or injury to any person, damage to any property or any other damage or loss by whomsoever suffered, claimed to result in whole or in part from Vendor's negligent performance hereunder, (c) any act, activity or omission of Vendor or any of its employees, representatives, subcontractors or agents. Neither party shall be liable for incidental, special, consequential or punitive damages.

4.8 **INSURANCE:** Vendor shall, at all times during the term and any renewals, maintain and provide a Certificate of Insurance naming the State as additional insured for all required bonds and insurance. Certificates may not be modified or canceled until at least 30 days notice has been provided to the State. Vendor shall provide: (a) General Commercial Liability-occurrence form in amount of \$1,000,000 per occurrence (Combined Single Limit Bodily Injury and Property Damage) and \$2,000,000 Annual Aggregate; (b) Auto Liability, including Hired Auto and Non-owned Auto, (Combined Single Limit Bodily Injury and Property Damage) in amount of \$1,000,000 per occurrence; and (c) Worker's Compensation Insurance in amount required by law. Insurance shall not limit Vendor's obligation to indemnify, defend, or settle any claims.

**4.9 INDEPENDENT CONTRACTOR:** Vendor shall, in the performance of this Contract, be an independent contractor and not an agent or employee of, or joint venturer with the State. All payments by the State shall be made on that basis.

**4.10 ASSIGNMENT AND SUBCONTRACTING:** This Contract may not be assigned, transferred or subcontracted in whole or in part by the Vendor without the prior written consent of the State. Vendor shall describe, as a supplemental provision to this Contract, the names and addresses of all authorized subcontractors utilized by Vendor in the performance of this Contract, together with a description of the work to be performed by the subcontractor and the anticipated amount of money that each subcontractor is expected to receive pursuant to this Contract. For purposes of this section, subcontractors are those specifically hired to perform all or part of the work or to provide the supplies covered by the Contract.

**4.11 SOLICITATION AND EMPLOYMENT:** Vendor shall not employ any person employed by the State during the term of this Contract to perform any work under this Contract. Vendor shall give notice immediately to the Agency's director if Vendor solicits or intends to solicit State employees to perform any work under this Contract.

**4.12 COMPLIANCE WITH THE LAW:** The Vendor, its employees, agents, and subcontractors shall comply with all applicable federal, state, and local laws, rules, ordinances, regulations, orders, federal circulars and all license and permit requirements in the performance of this Contract. Vendor shall be in compliance with applicable tax requirements and shall be current in payment of such taxes.

**4.13 BACKGROUND CHECK:** Whenever the State deems it reasonably necessary for security reasons, the State may conduct, at its expense, criminal and driver history background checks of Vendor's officers, employees or agents. Vendor shall reassign immediately any such individual who does not pass the background checks.

**4.14 APPLICABLE LAW:** This Contract shall be construed in accordance with and is subject to the laws and rules of the State of Illinois. The Department of Human Rights' Equal Opportunity requirements (44 Ill. Adm. Code 750) are incorporated by reference. Any claim against the State arising out of this Contract must be filed exclusively with the Illinois Court of Claims (705 ILCS 505/1). The State shall not enter into binding arbitration to resolve any Contract dispute. The State of Illinois does not waive sovereign immunity by entering into this Contract. The official text of cited statutes is incorporated by reference (An unofficial version can be viewed at <http://www.ilga.gov/legislation/ilcs/ilcs.asp>). In compliance with the Illinois and federal Constitutions, the Illinois Human Rights Act, the U. S. Civil Rights Act, and Section 504 of the federal Rehabilitation Act and other applicable laws and rules the State does not unlawfully discriminate in employment, contracts, or any other activity.

**4.15 ANTI-TRUST ASSIGNMENT:** If Vendor does not pursue any claim and cause of action it has arising under federal or state antitrust laws relating to the subject matter of the Contract, then upon request Vendor shall assign to the State all right, title and interest in and to the claim or cause of action.

**4.16 AUTHORIZATION:** Each Party to this Contract represents and warrants to the other that: (a) it has the right, power and authority to enter into and perform its obligations under this Contract and (b) it has taken all requisite action (corporate, statutory or otherwise) to approve execution, delivery and performance of this Contract, and (c) this Contract constitutes a legal, valid and binding obligation upon itself in accordance with its terms.

**4.17 CONTRACTUAL AUTHORITY:** The Agency that signs for the State of Illinois shall be the only State entity responsible for performance and payment under the Contract. When the Department of Central Management Services (CMS) signs in addition to an Agency, CMS does so as approving officer and shall have no liability to Vendor. When CMS signs a Master Contract on behalf of State agencies, only the Agency that places an order with the Vendor shall have any liability to Vendor.

**4.18 NOTICES:** Notices and other communications provided for herein shall be given in writing by registered or certified mail, return receipt requested, by receipted hand delivery, by courier (UPS, Federal Express or other similar and reliable carrier), by e-mail, or by fax showing the date and time of successful receipt. Notices shall be sent to the individuals who signed the Contract using the contact information following the signatures. Each such notice shall be deemed to have been provided at the time it is actually received. By giving notice, either Party may change the contact information.

## 5. CERTIFICATIONS AND CONFLICTS

Vendor certifies it is under no legal prohibition on contracting with the State of Illinois, has no known conflicts of interest and further specifically certifies that:

5.1 Vendor, its employees and subcontractors will comply with applicable provisions of the U.S. Civil Rights Act, Section 504 of the Federal Rehabilitation Act, the Americans with Disabilities Act (42 U.S.C. § 12101 et seq.) and applicable rules in performance under this Contract.

5.2 Vendor is not in default on an educational loan (5 ILCS 385/3).

5.3 Vendor (if an individual, sole proprietor, or partner) has informed the director of the Agency in writing if he/she was formerly employed by that agency and has received an early retirement incentive prior to 1993 under Section 14-108.3 or 16-133.3 of the Illinois Pension Code, 40 ILCS 5/14-108.3 and 40 ILCS 5/16-133.3, and acknowledges that contracts made without the appropriate filing with the Auditor General are not payable from the "contractual services" or other appropriation line items. Vendor has not received an early retirement incentive on or after 2002 under Section 14-108.3 or 16-133.3 of the Illinois Pension Code, 40 ILCS 5/14-108.3 and 40 ILCS 5/16-133.3, and acknowledges that contracts in violation of Section 15a of the State Finance Act are not payable from the "contractual services" or other appropriation line items (30 ILCS 105/15a).

5.4 Vendor certifies (i) that it will offer to assume the collective bargaining obligations of the prior employer, including any existing collective bargaining agreement with the bargaining representative of any existing collective bargaining unit or units performing substantially similar work to the services covered by the contract subject to its bid or offer, and (ii) that it shall offer employment to all employees currently employed in any existing bargaining unit performing substantially similar work that will be performed under this contract (30 ILCS 500/25-80).

5.5 Vendor has not been convicted of bribing or attempting to bribe an officer or employee of the State of Illinois or any other State, nor has Vendor made an admission of guilt of such conduct that is a matter of record (30 ILCS 500/50-5).

5.6 If Vendor has been convicted of a felony, at least five years have passed after the date of completion of the sentence for such felony, unless no person held responsible by a prosecutor's office for the facts upon which the conviction was based continues to have any involvement with the business (30 ILCS 500/50-10).

5.7 If Vendor, or any officer, director, partner, or other managerial agent of Vendor, has been convicted of a felony under the Sarbanes-Oxley Act of 2002, or a Class 3 or Class 2 felony under the Illinois Securities Law of 1953, at least five years have passed since the date of the conviction. Vendor further certifies that it is not barred from being awarded a contract and acknowledges that the State shall declare the Contract void if this certification is false (30 ILCS 500/50-10.5).

5.8 Vendor and its affiliates are not delinquent in the payment of any debt to the State (or if delinquent has entered into a deferred payment plan to pay the debt), and Vendor and its affiliates acknowledge the State may declare the Contract void if this certification is false (30 ILCS 500/50-11) or if Vendor or an affiliate later becomes delinquent and has not entered into a deferred payment plan to pay off the debt (30 ILCS 500/50-60).

5.9 Vendor and all affiliates shall collect and remit Illinois Use Tax on all sales of tangible personal property into the State of Illinois in accordance with provisions of the Illinois Use Tax Act (30 ILCS 500/50-12) and acknowledges that failure to comply can result in the Contract being declared void.

5.10 Vendor certifies that it has not committed a willful or knowing violation of the Environmental Protection Act (relating to Civil Penalties under the Environmental Protection Act) within the last five years, and is therefore not barred from being awarded a contract. If the State later determines that this certification was falsely made by the Vendor, the Vendor acknowledges that the State may declare the Contract void (30 ILCS 500/50-14).

5.11 Vendor has not paid any money or valuable thing to induce any person to refrain from bidding on a State contract, nor has Vendor accepted any money or other valuable thing, or acted upon the promise of same, for not bidding on a State contract (30 ILCS 500/50-25).

5.12 Vendor is not in violation of the "Revolving Door" section of the Illinois Procurement Code (30 ILCS 500/50-30).

5.13 Vendor will report to the Illinois Attorney General and the Chief Procurement Officer any suspected collusion or other anti-competitive practice among any bidders, offerors, contractors, proposers or employees of the State (30 ILCS 500/50-40, 50-45, 50-50).

5.14 In accordance with the Steel Products Procurement Act, steel products used or supplied in the performance of a contract for public works shall be manufactured or produced in the United States, unless the executive head of the procuring agency grants an exception (30 ILCS 565).

5.15 Vendor will, pursuant to the Drug Free Workplace Act, provide a drug free workplace and Vendor and its employees shall not engage in the unlawful manufacture, distribution, dispensation, possession or use of a controlled substance during the performance of the Contract. This certification applies to contracts of \$5000 or more with individuals; and to entities with 25 or more employees (30 ILCS 580).

5.16 Neither Vendor nor any substantially owned affiliate is participating or shall participate in an international boycott in violation of the U.S. Export Administration Act of 1979 or the applicable regulations of the U.S. Department of Commerce. This certification applies to contracts that exceed \$10,000 (30 ILCS 582).

5.17 Vendor has not been convicted of the offense of bid rigging or bid rotating or any similar offense of any state or of the United States (720 ILCS 5/33 E-3, E-4).

5.18 Vendor complies with the Illinois Department of Human Rights Act and rules applicable to public contracts, including equal employment opportunity, refraining from unlawful discrimination, and having written sexual harassment policies (775 ILCS 5/2-105).

5.19 Vendor does not pay dues to, or reimburse or subsidize payments by its employees for any dues or fees to any "discriminatory club" (775 ILCS 25/2).

5.20 Vendor complies with the State Prohibition of Goods from Forced Labor Act, and certifies that no foreign-made equipment, materials, or supplies furnished to the State under the Contract have been or will be produced in whole or in part by forced labor, or indentured labor under penal sanction (30 ILCS 583).

5.21 Vendor certifies that no foreign-made equipment, materials, or supplies furnished to the State under the Contract have been produced in whole or in part by the labor or any child under the age of 12 (30 ILCS 584).

5.22 Vendor certifies that it is not in violation of Section 50-14.5 of the Illinois Procurement Code (30 ILCS 500/50-14.5) that states: "Owners of residential buildings who have committed a willful or knowing violation of the Lead Poisoning Prevention Act (410 ILCS 45) are prohibited from doing business with the State until the violation is mitigated".

5.23 Vendor warrants and certifies that it and, to the best of its knowledge, its subcontractors have and will comply with Executive Order No. 1 (2007). The Order generally prohibits Vendors and subcontractors from hiring the then-serving Governor's family members to lobby procurement activities of the State, or any other unit of government in Illinois including local governments if that procurement may result in a contract valued at over \$25,000. This prohibition also applies to hiring for that same purpose any former State employee who had procurement authority at any time during the one-year period preceding the procurement lobbying activity.

5.24 Vendor has disclosed if required, on forms provided by the State, and agrees it is under a continuing obligation to disclose to the State, financial or other interests (public or private, direct or indirect) that may be a potential conflict of interest or which would prohibit Vendor from having or continuing the Contract. This includes, but is not limited to conflicts under the "Infrastructure Task Force Fee Prohibition" section of the State Finance Act (30 ILCS 105/8.40), Article 50 of the Illinois Procurement Code (30 ILCS 500/50), or those which may conflict in any manner with the Vendor's obligation under this Contract. Vendor shall not employ any person with a conflict to perform under this Contract. If any elected or appointed State officer or employee, or the spouse or minor child of same has any ownership or financial interest in the Vendor or the Contract, Vendor certifies it has disclosed that information to the State if required, on forms provided by the State, and any waiver of the conflict has been issued in accordance with applicable law and rule. A waiver is required if:

- a) the person intending to contract with the State, their spouse or child: (i) holds an elective office in Illinois; (ii) holds a seat in the Illinois General Assembly; (iii) is an officer or employee of the Capital Development Board or the Illinois Toll Highway Authority; or holds an appointed position or is employed in any of the offices or agencies of the State government and who receives compensation for such employment in excess of 60% of the salary of the Governor (currently \$106,447.20). (The conflict of interest threshold of 60% of the Governor's salary set forth in Section 50-13 does not apply to elective office holders, legislators, and officers or employees of the Capital Development Board or the Illinois Toll Highway Authority.);
- b) the contract is with a firm, partnership, association or corporation in which a person referenced in a) above receives more than 7.5% of the total distributable income or an amount in excess of the salary of the Governor (currently \$177,412.00).
- c) the contract is with a firm, partnership, association or corporation in which a person referenced in b) above, together with their spouse or minor child, receives more than 15% in the aggregate of the total distributable income or an amount in excess of 2 times the salary of the Governor (currently \$354,824.00) from the firm, partnership, association or corporation.

## 6. SUPPLEMENTAL PROVISIONS

6.1 **ENTIRE CONTRACT:** This Contract, consisting of the signature page, sections one through six, and any attachments marked (X) below, constitutes the entire Contract between the Parties concerning the subject matter of the Contract, and supersedes all prior proposals, contracts and understandings between the Parties concerning the subject matter of the Contract. Amendments, modifications and waivers must be in writing and signed by authorized representatives of the Parties. Any provision of this Contract officially declared void, unenforceable, or against public policy, shall be ignored and the remaining provisions shall be interpreted, as far as possible, to give effect to the Parties' intent. All provisions that by their nature would be expected to survive, shall survive termination. In the event of a conflict between the State's and the Vendor's terms, conditions and attachments, the State's terms, conditions and attachments shall prevail.

  X   Definitions

  N/A   Public Works Requirements (820 ILCS 130/4)

  N/A   Prevailing Wage (janitorial cleaning, window cleaning, building and grounds, site technician, natural resources, food services, and security services, if valued at more than \$200 per month or \$2000 per year (30 ILCS 500/25-60)

  N/A   Prevailing Wage (all printing contracts) (30 ILCS 500/25-60)

  N/A   Prohibition on Contingent Fees (certain federally funded contracts)

  X   BEP Subcontracting Requirements (Utilization Plan and Letter of Intent)

  X   State Supplemental Terms and Conditions

  N/A   Vendor Supplemental Terms and Conditions

  N/A   Prior Vendor Collective Bargaining Contractor

*This applies if the prior Vendor's employees who perform the services under the prior contract are covered by a collective bargaining contract. In accordance with Illinois law (30 ILCS 500/25-80), in order to be considered a responsible bidder and eligible for award you must: (a) offer to assume the collective bargaining obligations of the prior employer, including any existing collective bargaining agreement with the bargaining representative of any existing collective bargaining unit or units performing substantially similar work to the services covered by the contract subject to its offer, and (b) offer employment to all employees currently employed in any existing bargaining unit performing substantially similar work that will be performed under this contract. You are certifying you will comply with this law.*

  X   Information Technology Requirements

*As required by Illinois Public Act 095-0307, all information technology, including electronic information, software, systems, and equipment, developed or provided under this contract must comply with the applicable requirements of the Illinois Information Technology Accessibility Act Standards as posted at <http://www.dhs.state.il.us/itaa>.*

  N/A   Other (describe)

## 6.2 **DEFINITIONS**

6.2.1 **Key Information Delivery System (KIDS):** The Agency's computer system for the IV-D Program.

6.2.2 **Title IV-D Program (IV-D Program):** the Child Support Enforcement Program established under Title IV Section D of the Social Security Act, 42 U.S.C. 651 et seq.

## 6.3 **STATE AGENCY/BUYER SUPPLEMENTAL TERMS AND CONDITIONS**

### 6.3.1 Child Support.

Vendor shall ensure that its employees who provide services to the Agency/Buyer under this Contract are in compliance with child support payments pursuant to a court or administrative order of this or any other State. Vendor will not be considered out of compliance with the requirements of this Section if, upon request by the Agency/Buyer, Vendor provides:

- A. Proof of payment of past due amounts in full;
- B. Proof that the alleged obligation of past due amounts is being contested through appropriate court or administrative proceedings and Vendor provides proof of the pendency of such proceedings; or
- C. Proof of entry into payment arrangements acceptable to the appropriate State agency.

### 6.3.2 Clean Air Act and Clean Water Act.

Vendor is in compliance with all applicable standards, orders or regulations issued pursuant to the federal Clean Air Act (42 U.S.C. 7401 et seq.) and the federal Water Pollution Control Act (33 U.S.C. 1251 et seq.). Violations shall be reported to the United States Department of Health and Human Services and the appropriate Regional Office of the United States Environmental Protection Agency.

6.3.3 Confidentiality of Program Recipient Identification.

Vendor shall ensure that all information, records, data, and data elements pertaining to applicants for and recipients of public assistance, or to providers, facilities, and associations, shall be protected from unauthorized disclosure by Vendor and Vendor's employees, by Vendor's corporate affiliates and their employees, and by Vendor's subcontractors and their employees, pursuant to 305 ILCS 5/11-9, 11-10, and 11-12; 42 USC 654(26); 42 CFR Part 431, Subpart F; and 45 CFR Part 160 and 45 CFR Part 164, Subparts A and E. To the extent that Vendor, in the course of performing the Contract, serves as a business associate of the Agency/Buyer, as "business associate" is defined in the HIPAA Privacy Rule (45 CFR 160.103), Vendor shall assist the Agency/Buyer in responding to the client as provided in the HIPAA Privacy Rule, and shall maintain for a period of six (6) years any records relevant to a client's eligibility for services under the Agency/Buyer's medical programs.

6.3.4 Exclusions.

- A. Vendor shall screen all current and prospective employees, contractors and sub-contractors, prior to engaging their services under this Contract and at least annually thereafter, by:
  - 1. requiring that all current or prospective employees, contractors or sub-contractors disclose whether they are an Excluded Individual or Entity; and
  - 2. reviewing the list of sanctioned persons maintained by the Agency's Office of Inspector General (OIG) (<http://www.state.il.us/agency/oig>), and the List of Excluded Individuals/Entities maintained by the U.S. Department of Health and Human Services OIG (HHS/OIG) (<http://www.dhhs.gov/oig>).
- B. For purposes of this section, "Excluded Individual or Entity" shall mean a person or entity which:
  - 1. under Section 1128 of the Social Security Act, is or has been terminated, barred, suspended or otherwise excluded from participation in, or as the result of a settlement agreement has voluntarily withdrawn from participation in, any program under federal law, including any program under Titles XVIII, XIX, XX or XXI of the Social Security Act;
  - 2. has not been reinstated in the program after a period of exclusion, suspension, debarment, or ineligibility; or
  - 3. has been convicted of a criminal offense related to the provision of health care items or services in the last ten (10) years.
- C. Vendor shall terminate its relations with any employee, contractor or sub-contractor immediately upon learning that such employee, contractor or sub-contractor meets the definition of an Excluded Individual or Entity, and shall notify the OIG of the termination.

6.3.5 Fraud and Abuse Reporting.

Vendor shall report in writing to the Agency's Office of Inspector General (OIG) any suspected fraud, abuse or misconduct associated with any service or function provided for under this contract by any parties directly or indirectly affiliated with this Agreement including but not limited to, Vendor staff, Vendor Subcontractor, Agency employee or Agency contractor. Vendor shall make this report within three days of first suspecting fraud, abuse or misconduct. Vendor shall not conduct any investigation of the suspected fraud, abuse or misconduct without the express concurrence of the OIG; the foregoing notwithstanding, the Vendor may conduct and continue investigations necessary to determine whether reporting is required under this paragraph. Vendor must report to OIG as described in the first sentence above. Vendor shall cooperate with all investigations of suspected fraud, abuse or misconduct reported pursuant to this paragraph. The Vendor shall require adherence with these requirements in any contracts it enters into with Subcontractors. Nothing in this paragraph precludes the Vendor or Subcontractors from establishing measures to maintain quality of services and control costs that are consistent with their usual business practices, conducting themselves in accordance with their respective legal or contractual obligations or taking internal personnel-related actions.

6.3.6 Gifts.

Vendor and Vendor's principals, employees and subcontractors are prohibited from giving gifts to Agency/Buyer employees, and from giving gifts to, or accepting gifts from, any person who has a contemporaneous contract with the Agency/Buyer involving duties or obligations related to this Contract.

6.3.7 Legislative Changes.

The Vendor herein expressly acknowledges that the Contract and its subject matter are subject to legislative change by either the federal or state government. Should either legislative body enact measures which alter the terms or subject matter of this Contract, the Vendor shall not hold the Agency/Buyer liable in any manner for the resulting changes. The Agency/Buyer shall use best efforts to provide thirty (30) days' written notice to the Vendor of any legislative change. During the thirty (30)-day period, the parties shall meet and make a good faith effort to agree upon changes to the Contract to address the legislative change. Nothing in this Subsection shall affect or impair the Agency/Buyer's right to terminate the Contract pursuant to the termination provisions.

6.3.8 Lobbying.

- A. Vendor certifies to the best of Vendor's knowledge and belief, that no federally appropriated funds have been paid or will be paid by or on behalf of Vendor, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal loan or grant, or the entering into of any cooperative agreement, or the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan or cooperative agreement.
- B. If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal contract, grant, loan or cooperative agreement, Vendor shall complete and submit Standard Form LLL, "Disclosure Forms to Report Lobbying," in accordance with its instructions. Such Form is to be obtained at Vendor's request from the Agency/Buyer's Bureau of Fiscal Operations.
- C. Vendor shall require that the language of this certification be included in the award document for subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.
- D. This certification is a material representation of fact upon which reliance was placed when this Contract was executed. Submission of this certification is a prerequisite for making or entering into the transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

6.3.9 Media Relations and Public Information.

Subject to any disclosure obligations of Vendor under applicable law, rule, or regulation, news releases pertaining to this Contract or the services or project to which it relates shall only be made with prior approval by, and in coordination with, the Agency/Buyer. Vendor shall not disseminate any publication, presentation, technical paper, or other information related to Vendor's duties and obligations under this Contract unless such dissemination has been previously approved in writing by the Agency/Buyer.

6.3.10 Nondiscrimination.

Vendor and Vendor's principals, employees and subcontractors shall abide by Executive Orders 11246 and 11375. Vendor further agrees to take affirmative action to ensure that no unlawful discrimination is committed in any manner, including, but not limited to, in the delivery of services under this Contract.

6.3.11 Rules of Construction.

Unless the context otherwise requires or unless otherwise specified, the following rules of construction apply to this Contract:

- A. Provisions apply to successive events and transactions;
- B. "Or" is not exclusive;
- C. References to statutes and rules include subsequent amendments and successors thereto;
- D. The various headings of this Contract are provided for convenience only and shall not affect the meaning or interpretation of this Contract or any provision hereof;
- E. If any payment or delivery hereunder shall be due on any day that is not a business day, such payment or delivery shall be made on the next succeeding business day;
- F. "Days" shall mean calendar days; "business day" shall mean a weekday (Monday through Friday), excepting State holidays, between the hours of 8:30 a.m. Central Time and 5:00 p.m. Central Time;
- G. Use of the male gender (e.g., "he", "him", "his") shall be construed to include the female gender (e.g., "she", "her"), and vice versa;
- H. Words in the plural which should be singular by context shall be so read, and vice versa; and
- I. References to "Agency/Buyer" shall include any successor agency or agencies thereto.

6.3.12 Sale or Transfer.

Vendor shall provide the Agency/Buyer with the earliest possible advance notice of any sale or transfer of Vendor's business. The Agency/Buyer has the right to terminate this Contract without cause upon notification of such sale or transfer.

6.3.13 Severability.

If any provision of this Contract is determined by a court of competent jurisdiction to be invalid or unenforceable, such determination shall not affect the validity or enforceability of any other part or provision of this Contract.

6.3.14 Solicitation.

Vendor warrants that no person or agent has been employed or retained for a fee of any type to solicit and secure this Contract excepting bona fide employees of Vendor.

6.3.15 Vendor Certifications.

By signing this Contract, Vendor makes certain certifications and warranties. This Contract may be terminated immediately, or upon notice by the Agency/Buyer in its sole discretion, upon Vendor's failure to maintain these certifications and warranties.

6.3.16 Disputes Between Vendor and Other Parties.

Any dispute between Vendor and any third party, including any subcontractor, shall be solely between such third party and Vendor, and the Agency/Buyer shall be held harmless by Vendor. Vendor agrees to assume all risk of loss and to indemnify and hold the Agency/Buyer and its officers, agents, and employees harmless from and against any and all liabilities, demands, claims, suits, losses, damages, causes of action, fines or judgments, including costs, attorneys' and witnesses' fees, and expenses incident thereto, for Vendor's failure to pay any subcontractor, either timely or at all, regardless of the reason.