

The Virginia Department of Corrections seeks proposals from Contractors providing electronic lockbox services via the Multi-State Corrections Contract (MCPA) Contract Number 1901. Proposals shall be in accordance with terms of the MCPA contract, however, the proposals shall be tailored to meet the specific needs of the Virginia Department of Corrections as detailed in this Request for Proposals. Proposals are due to the Virginia Department of Corrections on March 16, 2012 at 12:00 p.m. The proposals shall be submitted to Cindy Sager in a sealed envelope - one hardcopy proposal shall be provided and shall include the signature of someone that has authority to commit the company contractually. Concurrent to submitting the hardcopy sealed proposal, the proposal shall also be submitted electronically to Cindy Sager at: cindy.sager@vadoc.virginia.gov

From the date of receipt of this Request for Proposals by each Contractor until a binding contractual agreement exists with the Selected Contractor and all other Contractors/Offerors have been notified, or when the Virginia Department of Corrections rejects all proposals, informal communications shall cease. Informal communications shall include but not be limited to:

1. Requests from any Offeror to any facility or unit at the Department of Corrections with the exception of Department of Corrections Central Procurement for information, comments, speculation, etc.
2. Requests from any facility or unit at the Department of Corrections, and any employee of the Department of Corrections, with exception of Department of Corrections Central Procurement for information, comments, speculation, etc.

From the date of receipt of this Request for Proposals by each Offeror until a binding contractual agreement exists with the Selected Contractor and all other Offerors have been notified, or when the Department of Corrections rejects all proposals, all communications between the Department of Corrections and the Offerors will be formal, or as provided in this Request for Proposals, as requested by the Department of Corrections Central Procurement. Formal Communications shall include but not be limited to:

Oral Presentations:

Negotiations, etc:

All questions and communications regarding this Request for Proposals shall be communicated to Cindy Sager at cindy.sager@vadoc.virginia.gov or (804) 674-3308 extension 1401.

The Virginia Department of Corrections anticipates scheduling Vendor Presentations on April 17, 2012, however, be aware that this date is subject to change.

Background:

The Virginia Department of Corrections (VADOC) is seeking a contractor to assist with the consolidation of all electronic deposits to offender Trust accounts. VADOC uses the term "electronic deposits" to

include payments sent to an offender's Trust account on behalf of offender friends and family members using credit or debit cards, walk-in cash payments, and /or money orders ("Lockbox"). In the future, the "electronic deposits" may also include deposits via VADOC facility lobby kiosks ("Cash Collection Kiosks"). Money orders will be processed by the contractor along with the electronic deposits and will no longer be processed at the various VADOC facilities.

VADOC seeks proposals from the NASPO/MCPA contractors listed for RFP/Contract 1901: Inmate Kiosks to select a contractor to provide the VADOC electronic deposits and lockbox services. Additional services that are included within the NASPO/MCPA RFP that are not specifically related to electronic deposits and lockbox are not being considered at this time and are not a part of this Statement of Needs.

The resulting VADOC contract will be for one year with one-year renewal options not to exceed the MCPA contract expiration which is July 31, 2015.

Purpose:

By contracting with one contractor for electronic lockbox services, the VADOC seeks to:

1. Decrease the administrative burdens resulting from working with multiple vendors for electronic deposit services;
2. Improve the intelligence gathering by establishing a single source of all incoming funds; and
3. Eliminate the current administrative burdens that are the result of processing money orders internally at the various VADOC facilities.

Statement of Needs:

The Contractor must provide a product to allow family, friends and relatives of VADOC offenders to send money electronically to offenders' trust accounts. Currently, the VADOC allows multiple vendors to provide this service. The selected contractor will become the sole source provider for these services for the duration of the resulting contract.

The Contractor shall:

1. Receive the funds from the sender in accordance with its collection methods (this would include phone, internet, walk-in and money orders). This will be done at no cost to the VADOC or the offender population.
2. Provide an electronic file of the previous day's transaction activity. This daily file will be available for VADOC use by 1 am EST each day. Detailed requirements for the daily file are to be determined by the VirginiaCORIS software provider for VADOC. The electronic file will also include information on funds received by mail from money orders as described under the Lockbox section below.
3. Use the offender file provided by VADOC so that funds are accepted only for valid offender names and offender numbers. Detailed specifications for the offender file are to be determined

by the software provider of VirginiaCORIS, similar to that currently in production with all current vendors.

4. Guarantee delivery of funds after the electronic file of daily transactions is made available to the VADOC. In instances of fraudulent or erroneous transactions, VADOC may try to assist in recovery if the funds are still in the offender's account.
5. Deposit collected funds (including money orders) via Automated Clearing House (ACH) shall be made every weekday (once per day) for the previous day's transactions. For example, transactions received on the weekend will be aggregated in the Monday electronic file of daily transactions and deposited via ACH on Tuesday. In the case of State holidays, processing will be delayed until the next business day. This is necessary for accounting staff to balance daily batches and make sure funds are posted properly.
6. Store details of all transactions in a database and make each transaction available to VADOC via an online interface provided by the Contractor. This interface will allow VADOC to look up transactions and provide an intelligence feature that allows VADOC to see who is sending money. The user interface shall be able to show links between senders and offenders, how many offender are receiving funds from a particular sender, and how many offenders are receiving funds from multiple senders. The transaction database shall include transactions with other prison systems serviced by the Contractor to the extent possible through data sharing agreements.
7. Allow all transactions to remain available to VADOC for review, whether via the online interface or an archive retrieval process, according to State of Virginia records retention standards.
8. Be responsible for responding to and resolving any inquiries and complaints from senders arising out of the Contractor's failure to timely transmit any transactions to VADOC.
9. Keep all information about offenders confidential and shall make no disclosure to any third party, except as required by law. The Contractor agrees to give VADOC immediate notice of any such disclosure.
10. Agree that VADOC has the right of review and approval of any advertisement or promotional material referring to the Commonwealth or State of Virginia or VADOC and/or the operation or existence of this electronic funds system.
11. Agree to provide a secure system so that unauthorized users cannot access VADOC's information.

Requirements specific to the Lockbox:

The Contractor shall:

1. Provide a lockbox service for money orders received for offenders housed at VADOC facilities. This would include processing money orders received daily and combining transactions with the electronic funds file transmittal described above.

2. Design a form document (see item #12 below) and making it available at DOC facilities and over the internet. An electronic copy will also be available on the VADOC public website.
3. Have experience in handling a large volume of electronic deposits and money orders in a similar environment.
4. Provide a robust intelligence gathering mechanism.
5. Collect sender first name, last name, address and phone number for every money order.
6. Provide functionality to allow VADOC to control and restrict the flow of funds to and from various individuals.
7. Provide 24/7 customer service which must be available for offender families to inquire about their money orders.
8. Provide a five day turnaround for money orders so that they are available for offenders to spend a maximum of five days after the sender has placed the money order in the mail to the contractor.
9. Maintain a five day turnaround for money orders that are sent from any state in the US.
10. Maintain a five day turnaround for money orders even if the lockbox operation is located outside of the State of Virginia.
11. Accept money orders from retail locations (i.e. "walk-in) and must have a relationship with the major retail locations within the State of Virginia as well as surrounding states.
12. Require money order senders to fill out a form with their address and phone number to be submitted together with the money order. The Contractor can collect more information on this form if it will increase intelligence gathering.
13. Provide a secure lockbox facility. It must have restricted facility access, security and an alarm system, at a minimum.
14. Maintain infrastructure security, meaning that all of the Contractor's software should have formalized change management control, full system redundancy, and capacity for unexpected growth.
15. Require contractor staff considered to be "lockbox personnel" to undergo screening to include background checks. VADOC reserves the right to review and approve the results upon request.

Evaluation Criteria:

1. The composition of the Contractor, including key personnel committed to the project, and the Contractor's capacity and plan to provide high quality services as required by the Department of Corrections and described in the Statement of Needs;

2. The Contractor's fee proposal, in those situations where fees may apply (this will be tied to fees detailed in the MCPA contract, if applicable);
3. The Contractor's willingness to accept the Commonwealth of Virginia General Terms and Conditions and Special Terms and Conditions that would govern the contract between the Department of Corrections and the selected Contractor; and
4. The Contractor's Small Business Subcontracting Plan.

Proposal Responses shall, at minimum, include:

1. The Contractor's/Offeror's ability to meet the requirements detailed in the Background, Purpose and Statement of Needs;
2. A listing of four references from Department of Correction in the US or a Jail system in the US that uses electronic lockbox services from the Offeror to demonstrate satisfaction levels with the customer service provided to the family members of the offenders in that state. Provide a contact name and phone number for each reference listed;
3. A narrative demonstrating system capability to control and restrict the flow of funds to and from individuals.
4. A narrative demonstrating customer services capabilities. Include a very brief description about the capacity to handle large call volumes without degradation in service or hold time.
5. A narrative demonstrating current relationship, if any, with large retail chains or large cash locations where money orders can be purchased and sent. Identify how many walk-in / retail locations are within the State of Virginia.
6. If the Contractor/Offeror is a corporation, the proposal must be submitted in the name of the corporation, not simply in the corporation's trade name. In addition, the Contractor/Offeror must indicate the corporate title of the individual signing the proposal.
7. A written narrative statement to include:
 - a. Names, qualifications and experience of personnel to be assigned to the VADOC account.
 - b. Provide a plan including a narrative and timeline for transition of services.
 - c. Describe the Contractor's/Offeror's method for dealing with problems and complaints presented by the Department of Corrections detailing at what point the problem would escalate to the next level of supervision/management.
 - d. SWaM Utilization – Summarize the planned utilization of Virginia Department of Minority Enterprise (DMBE) certified small businesses and businesses owned by women and minorities under the Contract awarded as a result of this solicitation.
 - e. State the Contractor's/Offeror's acceptance of section I: General Terms and Conditions and section III: Special Terms and Conditions.
 - f. Confirm all fees associated with providing electronic lockbox services.

The following terms and conditions shall be incorporated into the resulting contract via a Participation Agreement. In the event there is a conflict between the MCPA contract governing terms and conditions and the following Commonwealth of Virginia Terms and Conditions, the Commonwealth's terms and conditions shall take precedence.

I. GENERAL TERMS AND CONDITIONS:

A. VENDORS MANUAL:

This contract shall be subject to the provisions of the Commonwealth of Virginia *Vendors Manual* and any revisions thereto, and shall be incorporated into the contract in their entirety. The procedure for filing contractual claims is in section 7.19 of the *Vendors Manual*. A copy of the manual is normally available for review at the purchasing office and is accessible on the Internet at www.eva.virginia.gov/learn-about-eva/vendors-manual under "Manuals".

B. APPLICABLE LAWS AND COURTS:

This solicitation and any resulting contract shall be governed in all respects by the laws of the Commonwealth of Virginia and any litigation with respect thereto shall be brought in the courts of the Commonwealth. The agency and the Contractor are encouraged to resolve any issues in controversy arising from the award of the contract or any contractual dispute using Alternative Dispute Resolution (ADR) procedures (*Code of Virginia*, §2.2-4366). ADR procedures are described in Chapter 9 of the *Vendors Manual*. The Contractor shall comply with all applicable federal, state and local laws, rules and regulations.

C. ANTI-DISCRIMINATION:

By submitting a proposal, Offerors certify to the Commonwealth that they will conform to the provisions of the Federal Civil Rights Act of 1964, as amended, as well as the Virginia Fair Employment Contracting Act of 1975, as amended, where applicable, the Virginians With Disabilities Act, the Americans With Disabilities Act and §2.2-4311 of the *Virginia Public Procurement Act*. If the award is made to a faith-based organization, the organization shall not discriminate against any recipient of goods, services, or disbursements made pursuant to the contract on the basis of the recipient's religion, religious belief, refusal to participate in a religious practice, or on the basis of race, age, color, gender or national origin and shall be subject to the same rules as other organizations that contract with public bodies to account for the use of the funds provided; however, if the faith-based organization segregates public funds into separate accounts, only the accounts and programs funded with public funds shall be subject to audit by the public body. (*Code of Virginia*, §2.2-4343.1E)

In every contract over \$10,000 the provisions in 1. and 2. below apply:

1. During the performance of this contract, the Contractor agrees as follows:
 - a. The Contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability, or any other basis prohibited by state law relating to

discrimination in employment, except where there is a bona fide occupational qualification reasonably necessary to the normal operation of the Contractor. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.

- b. The Contractor, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, will state that such Contractor is an equal opportunity employer.
- c. Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting these requirements.

2. The Contractor will include the provisions of 1. above in every subcontract or purchase order over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

D. ETHICS IN PUBLIC CONTRACTING:

By submitting a proposal, Offerors certify that their proposal is made without collusion or fraud and that they have not offered or received any kickbacks or inducements from any other Offeror, supplier, manufacturer or subcontractor in connection with his/her proposal, and that they have not conferred on any public employee having official responsibility for this procurement transaction any payment, loan, subscription, advance, deposit of money, services or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value was exchanged.

E. IMMIGRATION REFORM AND CONTROL ACT OF 1986:

By entering into a written contract with the Commonwealth of Virginia, the Contractor certifies that the Contractor does not, and shall not during the performance of the contract for goods and services in the Commonwealth, knowingly employ an unauthorized alien as defined in the federal Immigration Reform and Control Act of 1986.

F. DEBARMENT STATUS:

By submitting a proposal, Contractors/Offerors certify that they are not currently debarred by the Commonwealth of Virginia from submitting proposals on contracts for the type of goods and/or services covered by this solicitation, nor are they an agent of any person or entity that is currently so debarred.

G. ANTITRUST:

By entering into a contract, the Contractor conveys, sells, assigns, and transfers to the Commonwealth of Virginia all rights, title and interest in and to all causes of action it may now have or hereafter acquire under the antitrust laws of the United States and the Commonwealth of Virginia, relating to the particular goods or services purchased or acquired by the Commonwealth of Virginia under said contract.

H. MANDATORY USE OF STATE FORM AND TERMS AND CONDITIONS:

Modification of or additions to the General Terms and Conditions may be cause for rejection of the proposal; however, the Commonwealth reserves the right to decide, on a case by case basis, in its sole discretion, whether to reject such a proposal.

I. CLARIFICATION OF TERMS:

If the Offeror/Contractor has questions about the specifications or other solicitation documents, the Offeror/Contractor should contact Cindy Sager.

J. PRECEDENCE OF TERMS:

The following General Terms and Conditions: VENDORS MANUAL, APPLICABLE LAWS AND COURTS, ANTI-DISCRIMINATION, ETHICS IN PUBLIC CONTRACTING, IMMIGRATION REFORM AND CONTROL ACT OF 1986. DEBARMENT STATUS, ANTITRUST, MANDATORY USE OF STATE FORM AND TERMS AND CONDITIONS, CLARIFICATION OF TERMS, PAYMENT shall apply in all instances. In the event there is a conflict between any of the other General Terms and Conditions and any Special Terms and Conditions in this solicitation, the Special Terms and Conditions shall apply.

K. QUALIFICATIONS OF OFFERORS:

The Commonwealth may make such reasonable investigations as deemed proper and necessary to determine the ability of the Offeror to perform the services/furnish the goods and the Offeror shall furnish to the Commonwealth all such information and data for this purpose as may be requested. The Commonwealth reserves the right to inspect Offeror's physical facilities prior to award to satisfy questions regarding the Offeror's capabilities. The Commonwealth further reserves the right to reject any proposal if the evidence submitted by, or investigations of, such Offeror fails to satisfy the Commonwealth that such Offeror is properly qualified to carry out the obligations of the contract and to provide the services and/or furnish the goods contemplated therein.

L. TESTING AND INSPECTION:

The Commonwealth reserves the right to conduct any test/inspection it may deem advisable to assure goods and services conform to the specifications.

M. ASSIGNMENT OF CONTRACT:

A contract shall not be assignable by the Contractor in whole or in part without the written consent of the Commonwealth.

N. CHANGES TO THE CONTRACT:

Changes can be made to the contract in any of the following ways:

1. The parties may agree in writing to modify the scope of the contract. An increase or decrease in the price of the contract resulting from such modification shall be agreed to by the parties as a part of their written agreement to modify the scope of the contract.
2. The Department of Corrections may order changes within the general scope of the contract at any time by written notice to the Contractor. Changes within the scope of the contract include, but are not limited to, things such as services

to be performed, the method of packing or shipment, and the place of delivery or installation. The Contractor shall comply with the notice upon receipt. The Contractor shall be compensated for any additional costs incurred as the result of such order and shall give the Department of Corrections a credit for any savings. Said compensation shall be determined by one of the following methods:

- a. By mutual agreement between the parties in writing; or
- b. By agreeing upon a unit price or using a unit price set forth in the contract, if the work to be done can be expressed in units, and the Contractor accounts for the number of units of work performed, subject to the Department of Correction's right to audit the Contractor's records and/or to determine the correct number of units independently; or
- c. By ordering the Contractor to proceed with the work and keep a record of all costs incurred and savings realized. A markup for overhead and profit may be allowed if provided by the contract. The same markup shall be used for determining a decrease in price as the result of savings realized. The Contractor shall present the Department of Corrections with all vouchers and records of expenses incurred and savings realized. The Department of Corrections shall have the right to audit the records of the Contractor, as it deems necessary to determine costs or savings. Any claim for an adjustment in price under this provision must be asserted by written notice to the Department of Corrections within thirty (30) days from the date of receipt of the written order from the Department of Corrections. If the parties fail to agree on an amount of adjustment, the question of an increase or decrease in the contract price or time for performance shall be resolved in accordance with the procedures for resolving disputes provided by the Disputes Clause of this contract or, if there is none, in accordance with the disputes provisions of the Commonwealth of Virginia *Vendors Manual*. Neither the existence of a claim nor a dispute resolution process, litigation or any other provision of this contract shall excuse the Contractor from promptly complying with the changes ordered by the Department of Corrections or with the performance of the contract generally.

O. DEFAULT:

In case of failure to deliver goods or services in accordance with the contract terms and conditions, the Commonwealth, after due oral or written notice, may procure them from other sources and hold the Contractor responsible for any resulting additional purchase and administrative costs. This remedy shall be in addition to any other remedies, which the Commonwealth may have.

P. TAXES:

Sales to the Commonwealth of Virginia are normally exempt from State sales tax. State sales and use tax certificates of exemption, Form ST-12, will be issued upon request.

Deliveries against this contract shall usually be free of Federal excise and transportation taxes. The Commonwealth's excise tax exemption registration number is 54-73-0076K.

Q. INSURANCE:

By signing and submitting a proposal under this solicitation, the Offeror certifies that if awarded the contract, it will have the following insurance coverage at the time the contract is awarded. For construction contracts, if any subcontractors are involved, the subcontractor will have workers' compensation insurance in accordance with §§ 2.2-4332 and 65.2-800 et seq. of the *Code of Virginia*. The Offeror further certifies that the Contractor and any subcontractors will maintain these insurance coverage during the entire term of the contract and that all insurance coverage will be provided by insurance companies authorized to sell insurance in Virginia by the Virginia State Corporation Commission.

If awarded a Contract, the Offeror shall provide a current Certificate of Insurance naming the Commonwealth of Virginia, Department of Corrections as an additional insured for the stipulated coverage and shall include the applicable contract number on the certificate.

The Offeror named on the Certificate of Insurance shall correspond to the Offeror's information provided on Attachment A: Proposal Form.

INSURANCE COVERAGES AND LIMITS REQUIRED:

1. Worker's Compensation – Statutory requirements and benefits. Coverage is compulsory for employers of three or more employees, to include the employer. Contractors who fail to notify the Commonwealth of increases in the number of employees that change their workers' compensation under the *Code of Virginia* during the course of the contract shall be in noncompliance with the contract.
2. Employers Liability - \$100,000.
3. Commercial General Liability - \$1,000,000 per occurrence. Commercial General Liability is to include bodily injury and property damage, personal injury and advertising injury, products and completed operations coverage. The Commonwealth of Virginia must be named as an additional insured and so endorsed on the policy.

R. DRUG FREE WORKPLACE:

During the performance of this contract, the Contractor agrees to (i) provide a drug-free workplace for the Contractor's employees, (ii) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance, marijuana or alcohol is prohibited in the Contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition; (iii) state in all solicitations or advertisements for employees placed by or on behalf of the Contractor that the Contractor maintains a drug-free workplace; and (iv) include the provisions of the foregoing clauses in every subcontract or purchase

order of over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

For the purposes of this section, "drug-free workplace" means a site for the performance of work done in connection with a specific contract awarded to a Contractor in accordance with this chapter, the employees of whom are prohibited from engaging in the unlawful manufacture, sale, distribution, dispensation, possession or use of any controlled substance, marijuana or alcohol during the performance of the contract.

S. NONDISCRIMINATION OF CONTRACTORS:

A Contractor shall not be discriminated against in the solicitation or award of this contract because of race, religion, color, sex, national origin, age, disability, faith-based organizational status, any other basis prohibited by state law relating to discrimination in employment or because the offeror employs ex-offenders unless the state agency, department or institution has made a written determination that employing ex-offenders on the specific contract is not in its best interest. If the award of this contract is made to a faith-based organization and an individual, who applies for or receives goods, services, or disbursements provided pursuant to this contract objects to the religious character of the faith-based organization from which the individual receives or would receive the goods, services, or disbursements, the public body shall offer the individual, within a reasonable period of time after the date of their objection, access to equivalent goods, services, or disbursements from an alternative provider.

T. eVA BUSINESS-TO-GOVERNMENT VENDOR REGISTRATION:

The eVA Internet electronic procurement solution, web site portal www.eVA.virginia.gov, streamlines and automates government purchasing activities in the Commonwealth. The eVA portal is the gateway for vendors to conduct business with state agencies and public bodies. All vendors desiring to provide goods and/or services to the Commonwealth shall participate in the eVA Internet eprocurement solution either through the eVA Basic Vendor Registration Service or eVA Premium Vendor Registration Service. All offerors must register in eVA and pay the Vendor Transaction Fees; failure to register will result in the proposal being rejected.

Effective July 1, 2011, vendor registration and registration-renewal fees have been discontinued. Registration options are as follows:

- a. eVA Basic Vendor Registration Service: eVA Basic Vendor Registration Service includes electronic order receipt, vendor catalog posting, on-line registration, electronic bidding, and the ability to research historical procurement data available in the eVA purchase transaction data warehouse.
- b. eVA Premium Vendor Registration Service: eVA Premium Vendor Registration Service includes all benefits of the eVA Basic Vendor Registration Service plus automatic email or fax notification of solicitations and amendments.

Vendor transaction fees are determined by the date the original purchase order is issued and are as follows:

- a. For orders issued prior to August 16, 2006, the Vendor Transaction Fee is 1%, capped at a maximum of \$500 per order.
- b. For orders issued August 16, 2006 thru June 30, 2011, the Vendor Transaction Fee is:
 - (i) DMBE-certified Small Businesses: 1%, capped at \$500 per order.
 - (ii) Businesses that are not DMBE-certified Small Businesses: 1%, capped at \$1,500 per order.
- c. For orders issued July 1, 2011 thru June 30, 2012, the Vendor Transaction Fee is:
 - (i) DMBE-certified Small Businesses: 0.75%, capped at \$500 per order.
 - (ii) Businesses that are not DMBE-certified Small Businesses: 0.75%, capped at \$1,500 per order.
- d. For orders issued July 1, 2012 and after, the Vendor Transaction Fee is:
 - (i) DMBE-certified Small Businesses: 1%, capped at \$500 per order.
 - (ii) Businesses that are not DMBE-certified Small Businesses: 1%, capped at \$1,500 per order.

The specified vendor transaction fee will be invoiced, by the Commonwealth of Virginia Department of General Services, approximately 30 days after the corresponding purchase order is issued and payable 30 days after the invoice date. Any adjustments (increases/decreases) will be handled through purchase order changes.

U. AVAILABILITY OF FUNDS:

It is understood and agreed between the parties herein that the agency shall be bound hereunder only to the extent of the funds available or which may hereafter become available for the purpose of this agreement.

V. PROPOSAL PRICE CURRENCY:

Unless stated otherwise in the solicitation, offerors shall state offered prices in US dollars.

W. AUTHORIZATION TO CONDUCT BUSINESS IN THE COMMONWEALTH:

A contractor organized as a stock or nonstock corporation, limited liability company, business trust, or limited partnership or registered as a registered limited liability partnership shall be authorized to transact business in the Commonwealth as a domestic or foreign business entity if so required by Title 13.1 or Title 50 of the *Code of Virginia* or as otherwise required by law. Any business entity described above that enters into a contract with a public body pursuant to the *Virginia Public Procurement Act* shall not allow its existence to lapse or its certificate of authority or registration to transact business in the Commonwealth, if so required under Title 13.1 or Title 50, to be revoked or cancelled at any time during the term of the contract. A public body may void any contract with a business entity if the business entity fails to remain in compliance with the provisions of this section

II. **SPECIAL TERMS AND CONDITIONS:**

A. **ADVERTISING:**

In the event a contract is awarded for supplies, equipment, or services resulting from this bid/proposal, no indication of such sales or services to the (name of institution) will be used in product literature or advertising. The contractor shall not state in any of its advertising or product literature that (name of agency/institution) has purchased or uses any of its products or services, and the contractor shall not include (name of agency/institution) in any client list in advertising and promotional materials.

B. **AUDIT:**

The Contractor shall retain all books, records, and other documents relative to this contract for five (5) years after final payment, or until audited by the Commonwealth of Virginia, whichever is sooner. The agency, its authorized agents, and/or state auditors shall have full access to and the right to examine any of said materials during said period.

C. **CANCELLATION OF CONTRACT:**

The Purchasing Agency reserves the right to cancel and terminate any resulting contract, in part or in whole, without penalty, upon 60 days written notice to the Contractor. In the event the initial contract period is for more than 12 months, the resulting contract may be terminated by either party, without penalty, after the initial 12 months of the contract period upon 60 days written notice to the other party. Any contract cancellation notice shall not relieve the Contractor of the obligation to deliver and/or perform on all outstanding orders issued prior to the effective date of cancellation.

D. **CONFIDENTIAL INFORMATION:**

The Contractor acknowledges that in the performance of this contract, confidential and proprietary offender information will be made available to the Contractor. The Contractor agrees to maintain the confidentiality of the offender information. The Contractor will not disclose any offender information to any third party without prior written authorization from the DOC. These obligations will apply to verbal information as well as specific portions of information that are disclosed in writing or other tangible form.

E. **CONFIDENTIALITY OF PERSONALLY IDENTIFIABLE INFORMATION:**

The contractor assures that information and data obtained as to personal facts and circumstances related to patients or clients will be collected and held confidential, during and following the term of this agreement, and will not be divulged without the individual's and the agency's written consent and only in accordance with federal law or the Code of Virginia. Contractors who utilize, access, or store personally identifiable information as part of the performance of a contract are required to safeguard this information and immediately notify the agency of any breach or suspected breach in the security of such information. Contractors shall allow the agency to both participate in the investigation of incidents and exercise control over decisions regarding external

reporting. Contractors and their employees working on this project may be required to sign a confidentiality statement.

F. FRATERNIZATION PROHIBITION:

The Contractor's staff assigned to provide services to the Department of Corrections shall not interact with offenders in an unprofessional manner. Examples of unprofessional behavior include, but are not limited to, non-work-related visits between the offender and Contractor staff and engaging in romantic or sexual relationships with offenders.

G. HIRING PRACTICES:

In the event a Contractor proposes to employ ex-offenders, the DOC may determine that it is not in the best interest to allow some ex-offenders to provide service. Some of the factors that the DOC may consider are: where the ex-offender served time, the nature of the crime and the length of time since sentence obligation was completed.

H. INDEMNIFICATION:

Contractor agrees to indemnify, defend and hold harmless the Commonwealth of Virginia, its officers, agents, and employees from any claims, damages and actions of any kind or nature, whether at law or in equity, arising from or caused by the use of any materials, goods, or equipment of any kind or nature furnished by the Contractor/any services of any kind or nature furnished by the Contractor, provided that such liability is not attributable to the sole negligence of the using agency or to failure of the using agency to use the materials, goods, or equipment in the manner already and permanently described by the Contractor on the materials, goods or equipment delivered.

I. RENEWAL OF CONTRACT:

This contract may be renewed by the Commonwealth for successive one year periods under the terms and conditions of the original contract not to extend beyond July 31, 2015.

J. SMALL BUSINESS SUBCONTRACTING AND EVIDENCE OF COMPLIANCE:

1. It is the goal of the Commonwealth that 40% of its purchases be made from small businesses. This includes discretionary spending in prime contracts and subcontracts. All potential bidders/offerors are required to submit a Small Business Subcontracting Plan. Unless the bidder/offeror is registered as a DMBE-certified small business and where it is practicable for any portion of the awarded contract to be subcontracted to other suppliers, the contractor is encouraged to offer such subcontracting opportunities to DMBE-certified small businesses. This shall not exclude DMBE-certified women-owned and minority-owned businesses when they have received DMBE small business certification. No bidder/offeror or subcontractor shall be considered a Small Business, a Women-Owned Business or a Minority-Owned Business unless certified as such by the Department of Minority Business Enterprise (DMBE) by the due date for receipt of bids or proposals. If small business subcontractors are used, the prime contractor agrees to report the use of small business subcontractors by

providing the purchasing office at a minimum the following information: name of small business with the DMBE certification number, phone number, total dollar amount subcontracted, category type (small, women-owned, or minority-owned), and type of product/service provided.

2. Each prime contractor who wins an award in which provision of a small business subcontracting plan is a condition of the award, shall deliver to the contracting agency or institution on a quarterly basis, evidence of compliance (subject only to insubstantial shortfalls and to shortfalls arising from subcontractor default) with the small business subcontracting plan. When such business has been subcontracted to these firms and upon completion of the contract, the contractor agrees to furnish the purchasing office at a minimum the following information: name of firm with the DMBE certification number, phone number, total dollar amount subcontracted, category type (small, women-owned, or minority-owned), and type of product or service provided. Payment(s) may be withheld until compliance with the plan is received and confirmed by the agency or institution. The agency or institution reserves the right to pursue other appropriate remedies to include, but not be limited to, termination for default.

K. SUBCONTRACTS:

No portion of the work shall be subcontracted without prior written consent of the Purchasing Agency. In the event that the Contractor desires to subcontract some part of the work specified herein, the Contractor shall furnish the Purchasing Agency the names, qualifications and experience of their proposed subcontractors. The Contractor shall, however, remain fully liable and responsible for the work to be done by its subcontractor(s) and shall assure compliance with all requirements of the contract.

L. CONTINUITY OF SERVICES:

- a) The Contractor recognizes that the services under this contract are vital to the Agency and must be continued without interruption and that, upon contract expiration, a successor, either the Agency or another contractor, may continue them. The Contractor agrees:
 - (i) To exercise its best efforts and cooperation to effect an orderly and efficient transition to a successor;
 - (ii) To make all Agency owned facilities, equipment, and data available to any successor at an appropriate time prior to the expiration of the contract to facilitate transition to successor; and
 - (iii) That the Agency Contracting Officer shall have final authority to resolve disputes related to the transition of the contract from the Contractor to its successor.
- b) The Contractor shall, upon written notice from the Contract Officer, furnish phase-in/phase-out services for up to ninety (90) days after this contract expires and shall negotiate in good faith a plan with the successor to execute the phase-in/phase-out services. This plan shall be subject to the Contract Officer's approval.
- c) The Contractor shall be reimbursed for all reasonable, pre-approved phase-in/phase-out costs (i.e., costs incurred within the agreed period after contract

expiration that result from phase-in, phase-out operations) and a fee (profit) not to exceed a pro rata portion of the fee (profit) under this contract. All phase-in/phase-out work fees must be approved by the Contract Officer in writing prior to commencement of said work.

CCC. STATE CORPORATION COMMISSION IDENTIFICATION NUMBER:

Pursuant to Code of Virginia, §2.2-4311.2 subsection B, an offeror organized or authorized to transact business in the Commonwealth pursuant to Title 13.1 or Title 50 is required to include in its proposal the identification number issued to it by the State Corporation Commission (SCC). Any offeror that is not required to be authorized to transact business in the Commonwealth as a foreign business entity under Title 13.1 or Title 50 or as otherwise required by law is required to include in its bid a statement describing why the offeror is not required to be so authorized. Indicate the above information on the SCC Form provided as Attachment G. Contractor agrees that the process by which compliance with Titles 13.1 and 50 is checked during the solicitation state (including without limitation the SCC Form provided) is streamlined and definitive, and the Commonwealth's use and acceptance of such form, its acceptance of Contractor's statement describing why the offeror was not legally required to be authorized to transact business in the Commonwealth, shall not be conclusive of the issue and shall not be relied upon by the Contractor as demonstrating compliance.