

Solicitation RFQ42970899

Logistics Software Application

State of California

## Bid RFQ42970899

### Logistics Software Application

Bid Number RFQ42970899  
Bid Title Logistics Software Application

Bid Start Date May 1, 2009 3:27:12 PM PDT  
Bid End Date May 14, 2009 3:00:00 PM PDT

Bid Contact Kristi Johnson  
916-658-2706  
kristijohnson@pia.ca.gov

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Changes made on May 4, 2009 9:31:42 AM PDT

New Documents Addenda LTR 1.pdf

Changes were made to the following items:

[Logistics Software Application](#)

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#### Description

The CALPIA On Time Delivery Branch intends to enter into a contract with a Logistics Software vendor for the purpose of procuring logistics software, implementation of a logistics program, training in the use of the software and consulting on the operation of the logistics application. For questions regarding this RFQ, please contact Shelia Howell at (916) 358-2753.

Added on May 4, 2009:

Addenda 1 - Contact person changed from Shelia Howell to Kristi Johnson. See Addenda Ltr 1 for details.

Changes made on May 4, 2009 9:31:42 AM PDT



# **Request for Quote**

## **RFQ #42970899**

### **LOGISTICS SOFTWARE APPLICATION**

**Prepared by:**  
**California Prison Industry Authority**

May 1, 2009

You are invited to review and respond to this Request for Quote (RFQ). In submitting your RFQ, you must comply with the instructions found herein. Failure to comply with any of the requirements may result in the rejection of your offer. The services required are delineated in the Statement of Work (SOW). Please read the enclosed document carefully. By submitting an offer, your firm agrees to the terms and conditions stated in this RFQ.

**Responses to this RFQ are due on MAY 14, 2009, no later than 3:00 P.M. Pacific Time. You must be headquartered within the United States of America.**

## 1.0 Overview

### 1.1 Title

Logistics Software Application

### 1.2 Purpose of this RFQ

The On Time Delivery Branch intends to enter into a contract with a Logistics Software vendor for the purpose of procuring logistics software, implementation of a logistics program, training in the use of the software and consulting on the operation of the logistics application.

### 1.3 Key Dates

Listed below are the significant milestones for this RFQ. The timeframe listed for each milestone is approximate and subject to change.

Release RFQ	May 1, 2009
Responses due by Time	May 14, 2009
Contract Awarded	May 25, 2009
Contractor Begins	June 5, 2009

Responses to the RFQ are due no later than 3:00 p.m. Pacific Time on May 14, 2009. Responses must be submitted under sealed cover and marked **RFQ – DO NOT OPEN** to Shelia Howell at CALPIA, 560 E. Natoma Street, Folsom, CA 95630. Late responses will not be accepted. Questions or clarifications regarding this RFQ should be directed to Shelia Howell at (916) 358-2753 or sheliahowell@pia.ca.gov.

## 2.0 Background

At this time, California Prison Industry Authority (CALPIA) operates a semi-centralized distribution and warehousing system known as the On Time Delivery Branch (OTD). OTD does not have a cohesive system for distribution and warehousing functions at its various locations to ensure a cost effective means of moving finished goods and/or raw materials throughout the State in a timely manner. OTD is using a combination of their own vehicles to carry freight and

common carriers, which are typically more expensive. CALPIA warehouses operate independently under local Warehouse Managers at each individual institution. This independence is not efficient or coordinated to enhance distribution services and/or cost controls.

The cost for these functions is not recorded at the place where the costs occur. While Bills of Lading, which act as contracts when used in conjunction with common carriers, are used and reconciled with freight bills. After payment, the records are archived. No electronic records are kept. This leads to lost opportunity for analysis of costs and plans to improve performance. Due to the independent nature of the factory warehouses, information that could lead to combining shipments from multiple locations cannot happen timely. This results in partially full trucks delivering freight from multiple locations to a single customer. Savings could be realized by planning and combining these shipments, either by planned pickups along a specific route or by sending all the freight to a centralized location for consolidation and shipping to the customer.

As CALPIA cannot charge itself for the services that the OTD provides to the cost centers, it is important that we be able to track the cost of freight back to the cost center that derived the benefit. Enterprise Resources Planning (ERP) application does not provide us with this capability. Unfortunately, the Outbound Logistics Management (OLM) module available in ERP treats freight like a "pass through" function and will not record the cost of freight back to the cost centers. Currently, CALPIA figures freight costs as a percentage of revenue. CALPIA needs a reliable Logistic Management Software that can track costs for freight directly back to the cost center that incurred the cost.

In discussions with CALPIA executive staff, goals for OTD have been established. Immediate goals are: reduce overtime; reduce common carrier expenses; reduce freight costs throughout CALPIA; manage CALPIA freight costs and report these costs to accounting for recording; establish OTD as a preferred carrier for freight originating from outside State agencies so as to become a revenue producer.

## *Statement of Work*

### **3.0 Scope**

The contract must:

- Provide logistics software capable of centralizing dispatching duties to 19 separate warehouses from a single location.
- Provide the latest edition of the software with any and all applicable upgrades.
- Use the smallest "footprint" possible.
- CALPIA requires that the software be non-proprietary and that the vendor share their code with CALPIA's Information Systems Staff.
- Be in the TCP/IP platform in order that future improvements to the system can communicate with the CALPIA database.
- Install the software on a CALPIA provided server and in eighteen (18) locations throughout the state of California.

- Provide implementation support and training in the use of the software and ongoing support throughout the life of the contract.
- Allow for each warehouse to input and print bills of lading.
- Bills of lading must be visible to the dispatcher.
- Bills of lading, once delivered, must be rated to account for the freight expense.
- Rating must be by weight, class, and miles
- Must be flexible for point to point rating.
- Freight amounts must be assigned to the appropriate warehouse or enterprise, once they are rated.
- Provide high level Implementation Plan
- Provide high level Training Plan
- Upload CALPIA customer database for use with software.

### 3.1 Contractor Tasks and Responsibilities

The contractor will work closely with CALPIA staff.

The application must meet the following minimum standard requirements:

- Windows Server 2003 sp2 or Windows Server 2005
- Allow program interface(s) that allow other software components to obtain services from them on a direct call basis, which includes initiating interactions with other components.
- Provide Application Support
- Application Implementation
- Provide on-site training
- The Application is expected to contain the following modules
  - ❖ Centralized Freight Dispatch to Satellite Warehouse
  - ❖ Bill of Lading Creation from Satellite Warehouses viewable system wide
    - Compatible with current CALPIA documents
  - ❖ Freight Billing
  - ❖ Repeat Haul (Job Costing)
  - ❖ Dispatch
  - ❖ Subhaul
  - ❖ General Ledger
  - ❖ Order Entry
  - ❖ Reports (standard and ad hoc)
  - ❖ Accounts Payable
  - ❖ Accounts Receivable

### 3.2 Contractor Deliverables

This section describes the deliverables to be completed for the Logistic Software vendor. Part 1 changes are mandatory. The CALPIA reserves the option to assume responsibility for completing some or all of the tasks listed in Part 2: The Logistic Software Application Development changes (optional) listed below. Commencement of work on the deliverables of this contract shall not begin until the contract is fully executed and approved by CALPIA. Upon CALPIA's approval, the contractor will submit the project Schedule and Project Work Plan within the

## California Prison Industry Authority

## Logistics Software Application

prescribed timeframes specified in the table below (Item AA001) detailing the completion dates for deliverables A001 through B003 listed below. Once received, the Project schedule and Project Work Plan inclusive of completion dates will be incorporated into this agreement by amendment to the contract.

<b>Deliverable</b>	<b>Deliverable Description</b>	<b>Completion Date</b>
<b>Part 1</b>		
AA001	Logistic Software Project Mgmt Documentation	
Sub-Task	Detailed Project Schedule	20 days after contract execution
Sub-Task	Detailed Project Work Plan	30 days from contract execution
Sub-Task	Weekly Progress/Update Reports	Weekly beginning 30 days from contract execution
A001	Logistics Software System Requirements Specification	
A002	Logistics Software System Detail Design Specification	
A003	Logistics Software System Application Development	
A004	Logistics Software System Test Plan and Test Scripts	
A005	Logistics Software System Application Testing	
A006	Logistics Software System Training Plan	
A007	Logistics Software System Training Materials	
A008	Logistics Software System Implementation	
B001	Logistics Software System Technical Documentation	
B002	Logistics Software System Maintenance & Support	
B003	Logistics Software System Knowledge Transfer	
<b>Part 2</b>		
C001	Logistics Software System Application Development for optional changes	

**Part 1- Logistics Software Implementation (mandatory)****Deliverable AA001: Project Management Deliverables**

The Contractor will develop a Project Work Plan and schedule as the first deliverable. The Project Work Plan will document the process for the implementation of the Logistics Software application. This deliverable must include an application that centralizes the dispatching duties of 18 separate warehouses from a single location, a strategy meeting, working with the users and how the final review and approval will be conducted. The software is required to leave the smallest "footprint" possible. Throughout the project, the vendor contract manager will maintain the project schedule, planned versus actual, and report weekly updates to the schedule. The Project Schedule will be developed using a Project Scheduler tool that is first approved by the Technical Project Manager (TPM). The Contractor will work with the State Technical Project Manager to ensure that a reasonable process to accomplish the work is outlined. This project will be a joint effort between the Contractor and state staff. The Project Schedule that is maintained by the Contractor will be one schedule to include all project work for the duration of this contract.

**Deliverable A001: Logistics Software System Requirements Specification**

The Software Requirements Specification document communicates the business needs for the Logistic Software solution and specifies the user requirements. The Contractor is responsible for the development of this document that describes the following:

- Scope
- Identification
- System Overview
  - Business Objectives
  - Benefits
  - Purpose
  - Out of Scope
- Background and Processes
  - System Business Process
- Document Overview
  - Definitions
  - Referenced Documents
  - Definitions and Acronyms
- Software Requirements
  - Process –X Overview
    - Functional Detail
- System External Interface Requirements
- Interface Identification and Diagrams
- System Internal Interface Requirements
- System Internal Data Requirements



- Computer Hardware Requirements
- Computer Software Requirements
- Telecommunications Requirements
- System and Network Management Requirements
- Project Management, Project Activities, and Deliverable Requirements
- Implementation Constraint Requirements

### Deliverable A002: Logistics Software Detail Design Specification

The Detail Design Specification will provide the high-level and detail programming design for the system requirements identified in Deliverable A001. The high-level design converts the functional requirements as described in the System Specification into a series of technical structures. These technical structures are the building blocks of the system to be delivered. The focus of high-level design is the basis of what will be built or modified. This high-level design is concerned with technical requirements and feasibility and will include a specific architecture that resolves how components of the system will operate and interoperate. The Contractor is responsible for development of this document that describes the following:

#### A002.1 Design Overview

- A002.1.1 Presentation Layer
- A002.1.2 Application Logic Layer
- A002.1.3 Data Access Layer
- A002.1.4 Data Repository / Data Layer

#### A002.2 Software Detailed Design

- A002.2.1 Software Functional Components
- A002.2.2 Supporting Objects
- A002.2.3 Software Design Decisions
- A002.2.4 Concept Execution

#### A002.3 Database Design

- A002.3.1 Database Design
- A002.3.2 Table Definitions
- A002.3.3 Database Design Decisions

#### A002.4 Software Interface Design

- A002.4.1 Software Interfaces
- A002.4.2 Software Interface Decisions
- A002.4.3 Concept of Execution

#### A002.5 Computer Requirements

- A002.5.1 Computer Hardware Requirements
- A002.5.2 Computer Software Requirements

**A002.6 Database Detailed Design**

- A002.6.1 Tables
- A002.6.2 Database Security
- A002.6.3 Capacity Planning
- A002.6.4 Performance Indexes
- A002.6.5 Database Design Decisions – Table Description Narrative

**A002.7 Data Dictionary**

- A002.7.1 Sequences
- A002.7.2 Referential Integrity
- A002.7.3 Views

**Deliverables A003: Application Development**

In order to satisfy business objectives, the Contractor will develop the Logistics Software application that meet system requirements identified in A001 as required by the On Time Delivery Branch. Requirements identified in A001 as optional changes are not required as part of this deliverable. The Contractor is responsible for building interfaces with other CALPIA applications as required. The Contractor will perform Code walkthroughs with state staff and will provide code documentation along with source code at the completion of each development effort. The Contractor is responsible for creating source code control of the Logistics Software application and ensuring a copy of the source code is stored in the state's source library.

**Deliverables A004 & A005: Logistics Application Testing**

The Contractor is responsible for the development of the Logistics Software Test Plan and successful execution of the acceptance test scripts. At a minimum, this plan will define the testing objectives, schedule, responsibilities, resources, procedures, assumptions and test error resolution needed to achieve the State's acceptance that the solution delivered meets the solution defined by the System Requirements Specification.

The Contractor is responsible for development of the Logistics Software Test Scripts. These scripts are detailed test procedures needed to validate system functionality for the CALPIA's acceptance. These scripts should contain Test results, how test errors are classified (example: Minor, Medium, Critical).

The Contractor is responsible for development of the Logistics Software application Test Results documentation. This document describes the following:

- Number of Test Packets:
- Number of Test Cases per Packet :
- Total Number of Test Cases:
- Number of Critical Dates (if applicable):
- Number of Tests Failed:

- Number of Incidents:
- Number of Incidents Resolved:
- Number of Incidents Unresolved:
- Number of Defects:
- Number of Defects Resolved:
- Number of Defects Unresolved:

#### Deliverable A006: Logistics Software Training Plan

Upon the effective date of the contract, the Contractor shall prepare a Training Plan describing the orientation and training to be provided. Training modules shall consist of a combination of appropriate classroom and/or hands on training. The Training Plan and associated training modules must be provided within 30 days of Contract award and are subject to the approval of the CALPIA.

The objective of this Training Plan is to define the strategies, tasks, and methods that will be used to meet the training requirements in use of the Logistics Software application. Goals to this Training Plan are to:

- Specify training activities involved in teaching end users how to use the Logistics Software application.
- Delineate roles and responsibilities of parties involved in developing and delivering training material and training presentations.
- Outline training content, expected attendees, and training schedule.

Training must be provided to a variety of staffing levels, as minimally defined below:

- Operator training for 18 State identified employees;
- Supervisor training for 4 State identified employees;
- System Administrator training for 1 State identified employees;
- System Support training for 3 State identified employees;
- Management Overview training for 3 State identified employees.
- Management Information Systems Staff

The Contractor is required to coordinate with state staff and other units in the final deployment of the Logistics Software application.

The training will be provided in multiple sessions utilizing a variety of training methodologies on the various components of the COTS software. CALPIA will determine the appropriate combination of specific types and structure for the training and the actual number of employees who will receive each type of training.

Deliverables A007: Logistics Application Training Materials

The Contractor is responsible for the development of training and user materials (both online help and physical documentation) as defined in the Logistics Software Training Plan. This material will be developed for the Logistics Software user community and will be specific to the job function of the Logistic Software user.

Deliverable A008: Logistics Software Implementation

The Contractor is responsible for generating an implementation plan for the Logistics Software application. This plan will define the infrastructure/resource needs and methods to be used to deploy the Logistics Software application. The plan will delineate roles and responsibilities of parties involved in this deployment. In addition, the plan will also include the final “go live” deployment tasks of the Logistics Software application. The Technical PM must approve this plan before implementation can begin.

The Implementation of the Centralized Dispatch System will occur in phases.

Phase One: The schedule will require installing the software at CALPIA headquarters at 560 East Natoma Street, Folsom, CA and bringing on the warehouses at On Time Delivery Branch (OTDB) North on Younger Creek Road in Sacramento, Mule Creek State Prison in Ione and the Deuel Vocational Institute in Tracy. Initially the routine routes, for example Milk or Laundry will be focus of implementation. The predictability of the routes allows for gaining expertise with using the system as the user skill improve, the vendor will provide support for the more difficult work of building loads and planning/dispatching loads in multiple locations. This phase is estimated to take approximately four (4) months.

Second Phase: Add OTDB-Central in Corcoran, Avenal State Prison in Avenal, California State Prison, CSP Solano in Vacaville, and California State Prison, Corcoran CALPIA warehouses. The routine routes will be the first ones dispatched and then moving into the more difficult furniture deliveries as in phase one. This phase is estimated to take approximately two (2) months.

Third Phase: Add OTD-S in Chino, R.J. Donovan State Prison in San Diego and CSP, Lancaster in Lancaster, again capturing the routine routes first and phasing in the more difficult dispatches. This phase is estimated to take approximately two (2) months.

Fourth Phase: Add the other CALPIA warehouses state wide one or two at a time by region. The list of those prisons is: California Men's Colony in San Luis Obispo; California Institute for Men in Chino; California Training Facility in Soledad; Folsom State Prison and CSP Sacramento in Folsom; San Quentin State Prison in San Quentin; California Correctional Women's Facility in Chowchilla; Sierra Conservation Corp in Jamestown; California Correctional Institute in Tehachapi. This is the final phase of implementation and is estimated to take approximately three (3) months.

The Contractor is also required to coordinate with state staff and other units for the final deployment of the Logistics Software application.

#### Deliverable B001: Logistics Software Technical Documentation

The Contractor is responsible for creating a Logistics Software system Maintenance and Operations manual upon completion of the Logistics Software implementation tasks. This manual must include but is not limited to, start-up/shutdown processes, user account, maintenance processes, backup/recovery processes and batch processes required for the Logistics Software application.

The Contractor is also responsible for development of a technical guide for the Logistics Software application. Technical guide will help state programmers in any future modifications to the Logistics Software application. Technical guide must include, but is not limited to, details on how to modify functions/procedures, web services, etc.

#### Deliverable B002: Logistics Software Maintenance & Support

The Contractor is responsible for the maintenance and support of the Logistics Software application. The maintenance & support will include, but is not limited to maintaining a change request system, meeting users and prioritizing the change requests, adding enhancements and fixing bugs. Vendor shall provide maintenance and support for the period of four months (80 hours/per month) from the project implementation date.

#### Deliverable B003: Logistics Software Knowledge Transfer

The Contractor is responsible for conducting weekly knowledge transfer sessions (minimum of 12, 2 hour sessions) for the Management Information Systems State team on all aspects of the application including:

- System Architecture
- Database Design
- Application Modules
- Conversion Processes
- Reports
- Support/Maintenance Tasks

Knowledge Transfer sessions will be distributed at regular intervals throughout the project cycle.

**Part 2: Logistics Changes (Optional):****Deliverable C001: Logistics Software Application Development Change Requests (optional)**

*\*The CALPIA reserves the option to assume responsibility to perform some or all of the tasks listed in Part 2 below.*

In order to satisfy business objectives, the Contractor shall develop the Logistics Software application changes that meet system requirements identified as optional changes in C001.

The Contractor will be responsible for building interfaces with other CALPIA applications as required. The Contractor will perform Code walkthroughs with state staff, and will provide code documentation along with source code at the completion of each development effort. The Contractor is also responsible for creating source code control of the Logistics Software application and ensuring a copy of the source code is stored in the state's source library.

**3.3 State Responsibilities**

CALPIA will designate a manager to whom all contractor communications will be addressed and who has the authority to act for CALPIA in all aspects of this SOW. Additionally, CALPIA's responsibilities include the following:

- Provide overall task direction to contractor staff.
- Provide Project Manager
- Provide Technical Project Manager
- Serve as the interface between the contractor staff and CALPIA.
- Attend project status meetings.
- Help resolve and escalate issues, as necessary.
- Review and/or approve all time reporting and work products (including deliverables outlined in section 4.2).
- Notification of issue resolution needs/status.
- Notification of any change in work plan or scope.
- Provide facilities for meetings and training.
- Make available appropriate staff for achieving tasks of this contract by providing timely access to subject matter experts.
- Provide workstation equipment, necessary software, and office space.

**4.0 RFQ Response Content**

The Following documents must be included in all written offers:

#### 4.1 Cover Letter

The cover letter must include the title of this RFQ as well as the contractor's:

- Company name, contact and address
- Small Business number (if applicable)
- DVBE certification number (if applicable)
- Total quote
- Signature of an individual authorized to enter into contracts for the contractor

#### 4.2 Company References

Contractor to provide a minimum of three references, in a narrative format, for logistics software projects completed by their company in the last two years. Be sure to include the beginning and ending dates of the project. If the project is on-going, describe the work that has been completed to date. The reference information for the company must include the following:

- name of customer organization
- name of the project
- company role on the project
- customer point of contact – including e-mail address and phone number

Contractor must be the software manufacturer or a manufacturer-authorized reseller of the software. If the Contractor is a reseller, Contractor must also provide a signed, manufacturer authorization to resell the product and provide services as described in this RFQ.

#### 4.3 Costs

Contractor(s) cost shall not exceed maximum cost to complete the project. Any excess shall not be at cost to the State.

Any other vendor costs not specifically included in this Statement of Work (SOW) or not specifically authorized in writing by the State will not be reimbursed by the State. No reimbursement for travel will be made under this agreement.

Any contract resulting from this RFQ/SOW may be amended to extend the contract term, contract total, and the SOW at any time by mutual agreement of the parties in writing. All such amendments shall be in writing and issued only upon written concurrence of the contractor.

#### 5.0 Response Submission/Delivery Instructions

Responses to the RFQ are due no later than 3:00 p.m. Pacific Time on May 14, 2009. Responses must be submitted under sealed cover and marked **RFQ – DO NOT OPEN** to Shelia Howell at CALPIA, 560 E. Natoma Street, Folsom, CA 95630. Late responses will not be accepted.

Questions or clarifications regarding this RFQ should be directed to Shelia Howell at (916) 358-2753 or sheliahowell@pia.ca.gov.

## 6.0 Selection and Criteria (Best Value to State)

Responses to this RFQ will first be reviewed for responsiveness to the requirements of the SOW. If a response is missing required information, it may be deemed not responsive. Further review is subject to the discretion of CALPIA.

Award of this contract resulting from this RFQ will be based on a best value method that includes costs as a factor. Cost is a substantial factor in the selection process.

CALPIA may schedule interviews with the highest rated contractors based on the submitted offers.

## 7.2 Award Objectives:

California law does not provide a protest or appeal process against award decisions made through an informal selection method. Respondents submitting a price offer in response to a Request for Quote may not protest or appeal the award. The Agency's award decision shall be final.

## 8.0 Terms and Conditions

Contractor must accept CALPIA's Information Technology General Provisions.

## 8.1 Period of Performance:

Work will be conducted at the following sites:

On Time Delivery North – Younger Creek, Sacramento  
CALPIA Warehouse, Mule Creek State Prisons – Lone  
CALPIA Warehouse, Deuel Vocational Institute – Tracy  
On Time Delivery Central – CSP Corcoran – Corcoran  
CALPIA Warehouse, CSP Corcoran - Corcoran  
CALPIA Warehouse, CSP Avenal – Avenal  
CALPIA Warehouse, CSP Solano – Vacaville  
On Time Delivery South, California Institution for Men – Chino  
CALPIA Warehouse, RJ Donovan Correctional Facility – San Diego  
CALPIA Warehouse, California Mens Colony – San Luis Obispo  
CALPIA Warehouse, California Training Facility – Soledad  
CALPIA Warehouse, CSP Sacramento – Folsom  
CALPIA Warehouse, Folsom State Prison – Represa  
CALPIA Warehouse, San Quentin State Prison - San Quentin  
CALPIA Warehouse, Correctional Women's Facility – Chowchilla  
CALPIA Warehouse, Sierra Conservation Camp – Jamestown  
CALPIA Warehouse, California Correctional Institute – Tehachapi  
CALPIA Warehouse, CSP Los Angeles, Lancaster  
CALPIA Headquarters, Folsom



## 8.2 Completion Criteria

### Acceptance Criteria

The CALPIA shall be deemed to have accepted the Custom Off The Shelf (COTS) Software Product and the associated implementation of said Software (i) upon its issuance of written notice of such acceptance or (ii) sixty (60) days after the Implementation Date, unless at or before that time the CALPIA gives Contractor written notice of rejection. No payment for COTS Software and/or Implementation Services will be due before Acceptance thereof. Any notice of rejection will explain how the COTS Software Product fails to substantially conform to the functional and performance specifications of this Contract. The Contractor will, upon receipt of such notice, investigate the reported deficiency and exercise reasonable best efforts to remedy it promptly. The CALPIA, in its sole discretion, will have the option to re-perform the acceptance test. If the Contractor is unable to remedy the deficiency within (60) days of notice of rejection, the CALPIA shall have the option of terminating this Contract in its entirety for default.

This SOW will be considered complete when one of the following first occurs:

- CALPIA/OTDB provides 30 calendar days written notice to contractor that no additional assistance is needed; or
- The total hours allocated in the contract to this work effort have been expended; or
- Upon reaching the estimated RFQ end date; or
- Any purchase order resulting from the RFQ may be amended to extend the contract term, contract total, and the Statement of Work at any time by mutual agreement of the parties in writing. All such amendments shall be in writing and issued only upon written concurrence of the contractor; or
- CALPIA/OTDB may reduce or cancel this agreement at any time upon written notice to the vendor. This may occur for budgetary reasons or stoppage or work due to CALPIA directives/priorities.

## 8.3 Agreement Basis

This agreement is issued for a Custom Off the Shelf Logistics Software application. The hours projected will be at a maximum. Contractor(s) cost shall not exceed Maximum.

Any other vendor costs not specifically included in the RFQ or not specifically authorized in writing by the State will not be reimbursed by the State. No reimbursement for travel will be made under this agreement.

## 8.4 Confidentiality

All financial, statistical, personal, technical, and other data and information relating to the State's operation which are designated confidential by the State and made available to the contractor in order to carry out this Agreement, or which become available to the contractor in carrying out this Agreement, shall be protected by the contractor from unauthorized use and disclosure through the observance of the same or more effective procedural requirements as are applicable to the State.

## 8.5 Ownership of Products

CALPIA will retain ownership to all documents, procedures, software, etc., that the vendor develops under contract with CALPIA.

## 8.6 Amendments

Any purchase order resulting from this SOW may be amended to extend the contract term, contract total, and the SOW at any time by mutual agreement of the parties in writing. All such amendments shall be in writing and issued only upon written concurrence of the contractor.

## 8.7 Changes to Vendor Staff

Personnel commitments made in the vendor's proposal shall not be changed without prior, written approval unless in the case of resignation or death of any named individual. CALPIA shall approve in advance and in writing any full-time or temporary changes to the vendor's personnel.

Vendor personnel proposed to meet the requirements of this SOW must be available to begin work no later than the expressed date set by CALPIA and the Contractor after all approvals have been obtained, unless otherwise agreed to by the CALPIA contract manager.

## 9.0 Damages for Delay caused by the Contractor:

### General

In the event that the Contractor fails to deliver in accordance with the Contract requirements, the parties agree that the delay will cause loss and damage to the CALPIA. From the nature of the case, it would be impracticable and extremely difficult to fix the actual damages sustained in the event of any such delay. The CALPIA and Contractor, therefore, presume that in the event of any such delay the amount of damage which will be sustained from a delay will be the amounts set forth in Table B-1 below, and the CALPIA and the Contractor agree that in the event of any such delay, the Contractor shall pay such amounts as liquidated damages and not as a penalty. Amounts due to the CALPIA as liquidated damages may be deducted by the CALPIA from any money payable to the Contractor. The CALPIA shall notify the contractor in writing of any claim for liquidated damages pursuant to this paragraph on or before the date on which the CALPIA deducts such sums from money payable to the Contractor.

Table B-1

<u>Item</u>	<u>Liquidated Damages</u>
Software Implementation Delay	<b>\$25.00</b> per day
Training Materials	<b>\$25.00</b> per day

## 9.1 Delivery Delays:

If the Contractor does not deliver all the deliverables listed in the Requirements section of the RFQ ready for use in substantial accordance with the Contractor's specifications, on or before the Delivery Dates specified in the RFQ, the Contractor shall be liable for liquidated damages in the amounts specified in Table B-1, in lieu of all other damages for such non delivery. Liquidated damages shall accrue for each calendar day between the Delivery Date specified and the actual date of the delivery of such deliverables or for 180 days, whichever occurs first.

If the CALPIA is unable to use the COTS software Solution on the installation date because Contractor failed to meet the deliverables listed in the RFQ, liquidated damages for Software Implementation Delay shall be paid to the CALPIA in lieu of damages. Such liquidated damages shall apply until the CALPIA uses the equipment or until the Contractor provides the programming aids, program products, or applications which would render the equipment usable, whichever occurs first, but not for more than 180 calendar days.

## 9.2 Damages for Delay caused by the State:

In the event a change directed by either the CALPIA and/or the State of California requires a later implementation date and the State has failed to notify the Contractor of the delay at least 60 days prior to the original Implementation Date, the CALPIA shall be liable, in lieu of all other damages, for liquidated damages as specified in Table B-1 above for each day between the original Implementation Date and the new Implementation Date, but not to exceed 180 calendar days.

## 10.0 Prime Vendor Terms and Conditions:

### Proposal Submission

The Prime Vendor shall be solely responsible for meeting all requirements for submission of a response to this RFQ regardless of whether or not they propose to use subcontractors. If the Prime Vendor proposes to subcontract with a software publisher, the Prime Vendor shall be responsible to ensure the Software Publisher is prepared to enter into a contract with the CALPIA for licensing, maintenance, and support of the software under the terms and conditions of this RFQ.

## 10.1 Implementation Stage:

The Prime Vendor shall be solely responsible for meeting all requirements, terms and conditions specified in this RFQ, its Proposal, and any resulting contract, regardless of whether it uses a Subcontractor. The Vendor may subcontract services subject to the RFQ but must submit with its proposal all information and documentation relating to the Subcontractor and must include terms and conditions consistent with this RFQ. The Prime Vendor shall remain wholly responsible for performance of this stage of the contract regardless of whether a Subcontractor is

used. The CALPIA will consider the Prime Vendor to be the sole point of contact with regard to all contractual matters, including payment of any and all charges resulting from any contract. At the successful completion of the Implementation Stage, the Software Maintenance and Support contract will become active.

## 10.2 Software Maintenance and Support Stage:

### Software Maintenance and Support Stage

The Software Maintenance and Support Stage become active upon successful completion of the Implementation Stage. The Software Publisher shall be wholly responsible for meeting the requirements of the RFQ and resulting contract for the Software Maintenance and Support Stage. The CALPIA will consider the Software Publisher to be the sole point of contact with regard to all contractual matters, including payment of any and all charges resulting from any contract. The CALPIA will commence direct payments to the Software Publisher in accordance with terms of the RFQ and resulting contract for the Software Maintenance and Support Stage.

## 11.0 Security

CALPIA is responsible for establishing the procedures to provide physical site security for the hardware and software systems and their elements. This security would include, as appropriate, protection from losses occasioned by natural threats, forced entry, acts of violence and internal sabotage. It is CALPIA's responsibility to establish and implement any procedures necessary to safeguard the integrity and security of software and data used in this project from access by unauthorized persons. The actual content of any data file, the selection, and implementation of controls on its access and use, and the security of the data are the responsibility of CALPIA.

## General Provisions – Information Technology

1. **DEFINITIONS:** Unless otherwise specified in the Statement of Work the following terms shall be given the meaning shown, unless context requires otherwise.

**"Acceptance Tests"** means those tests performed during the Performance Period which are intended to determine compliance of Equipment and Software with the specifications and all other Attachments incorporated herein by reference and to determine the reliability of the Equipment.

**"Application Program"** means a computer program which is intended to be executed for the purpose of performing useful work for the user of the information being processed. Application programs are developed or otherwise acquired by the user of the Hardware/Software system, but they may be supplied by the Contractor.

**"Attachment"** means a mechanical, electrical, or electronic interconnection to the Contractor-supplied Machine or System of Equipment, manufactured by other than the original Equipment manufacturer, that is not connected by the Contractor.

**"Business entity"** means any individual, business, partnership, joint venture, corporation, S-corporation, limited liability corporation, limited liability partnership, sole proprietorship, joint stock company, consortium, or other private legal entity recognized by statute.

**"Buyer"** means the State's authorized contracting official.

**"Commercial Software"** means Software developed or regularly used that: (i) has been sold, leased, or licensed to the general public; (ii) has been offered for sale, lease, or license to the general public; (iii) has not been offered, sold, leased, or licensed to the public but will be available for commercial sale, lease, or license in time to satisfy the delivery requirements of this Contract; or (iv) satisfies a criterion expressed in (i), (ii), or (iii) above and would require only minor modifications to meet the requirements of this Contract.

**"Contract"** means this Contract or agreement (including any purchase order), by whatever name known or in whatever format used.

**"Custom Software"** means Software that does not meet the definition of Commercial Software.

**"Contractor"** means the Business Entity with whom the State enters into this Contract. Contractor shall be synonymous with "supplier", "vendor" or other similar term.

**"Data Processing Subsystem"** means a complement of Contractor-furnished individual Machines, including the necessary controlling elements (or the functional equivalent) and Operating Software, if any, which are acquired to operate as an integrated group, and which are interconnected entirely by Contractor-supplied power and/or signal cables; e.g., direct access controller and drives, a cluster of terminals with their controller, etc.

**"Data Processing System (System)"** means the total complement of Contractor-furnished Machines, including one or more central processors (or instruction processors) and Operating Software, which are acquired to operate as an integrated group.

**"Deliverables"** means Goods, Software, Information Technology, telecommunications technology, and other items (e.g. reports) to be delivered pursuant to this Contract, including any such items furnished incident to the provision of services.

## General Provisions – Information Technology

**"Designated CPU(s)"** means for each product, if applicable, the central processing unit of the computers or the server unit, including any associated peripheral units. If no specific "Designated CPU(s)" are specified on the Contract, the term shall mean any and all CPUs located at the site specified therein.

**"Documentation"** means nonproprietary manuals and other printed materials necessary or useful to the State in its use or maintenance of the Equipment or Software provided hereunder. Manuals and other printed materials customized for the State hereunder constitute Documentation only to the extent that such materials are described in or required by the Statement of Work.

**"Equipment"** is an all-inclusive term which refers either to individual Machines or to a complete Data Processing System or subsystem, including its Hardware and Operating Software (if any).

**"Equipment Failure"** is a malfunction in the Equipment, excluding all external factors, which prevents the accomplishment of the Equipment's intended function(s). If microcode or Operating Software residing in the Equipment is necessary for the proper operation of the Equipment, a failure of such microcode or Operating Software which prevents the accomplishment of the Equipment's intended functions shall be deemed to be an Equipment Failure.

**"Facility Readiness Date"** means the date specified in the Statement of Work by which the State must have the site prepared and available for Equipment delivery and installation.

**"Goods"** means all types of tangible personal property, including but not limited to materials, supplies, and Equipment (including computer and telecommunications Equipment).

**"Hardware"** usually refers to computer Equipment and is contrasted with Software. See also Equipment.

**"Installation Date"** means the date specified in the Statement of Work by which the Contractor must have the ordered Equipment ready (certified) for use by the State.

**"Information Technology"** includes, but is not limited to, all electronic technology systems and services, automated information handling, System design and analysis, conversion of data, computer programming, information storage and retrieval, telecommunications which include voice, video, and data communications, requisite System controls, simulation, electronic commerce, and all related interactions between people and Machines.

**"Machine"** means an individual unit of a Data Processing System or subsystem, separately identified by a type and/or model number, comprised of but not limited to mechanical, electro-mechanical, and electronic parts, microcode, and special features installed thereon and including any necessary Software, e.g., central processing unit, memory module, tape unit, card reader, etc.

**"Machine Alteration"** means any change to a Contractor-supplied Machine which is not made by the Contractor, and which results in the Machine deviating from its physical, mechanical, electrical, or electronic (including microcode) design, whether or not additional devices or parts are employed in making such change.

## General Provisions – Information Technology

**"Maintenance Diagnostic Routines"** means the diagnostic programs customarily used by the Contractor to test Equipment for proper functioning and reliability.

**"Manufacturing Materials"** means parts, tools, dies, jigs, fixtures, plans, drawings, and information produced or acquired, or rights acquired, specifically to fulfill obligations set forth herein.

**"Mean Time Between Failures (MTBF)"** means the average expected or observed time between consecutive failures in a System or component.

**"Mean Time to Repair (MTTR)"** means the average expected or observed time required to repair a System or component and return it to normal operation.

**"Operating Software"** means those routines, whether or not identified as Program Products, that reside in the Equipment and are required for the Equipment to perform its intended function(s), and which interface the operator, other Contractor-supplied programs, and user programs to the Equipment.

**"Operational Use Time"** means for performance measurement purposes, that time during which Equipment is in actual operation by the State. For maintenance Operational Use Time purposes, that time during which Equipment is in actual operation and is not synonymous with power on time.

**"Performance Testing Period"** means a period of time during which the State, by appropriate tests and production runs, evaluates the performance of newly installed Equipment and Software prior to its acceptance by the State.

**"Period of Maintenance Coverage"** means the period of time, as selected by the State, during which maintenance services are provided by the Contractor for a fixed monthly charge, as opposed to an hourly charge for services rendered. The Period of Maintenance Coverage consists of the Principal Period of Maintenance and any additional hours of coverage per day, and/or increased coverage for weekends and holidays.

**"Preventive Maintenance"** means that maintenance, performed on a scheduled basis by the Contractor, which is designed to keep the Equipment in proper operating condition.

**"Principal Period of Maintenance"** means any nine consecutive hours per day (usually between the hours of 7:00 a.m. and 6:00 p.m.) as selected by the State, including an official meal period not to exceed one hour, Monday through Friday, excluding holidays observed at the installation.

**"Programming Aids"** means Contractor-supplied programs and routines executable on the Contractor's Equipment which assists a programmer in the development of applications including language processors, sorts, communications modules, data base management systems, and utility routines, (tape-to-disk routines, disk-to-print routines, etc.).

**"Program Product"** means programs, routines, subroutines, and related items which are proprietary to the Contractor and which are licensed to the State for its use, usually on the basis of separately stated charges and appropriate contractual provisions.

## General Provisions – Information Technology

**"Remedial Maintenance"** means that maintenance performed by the Contractor which results from Equipment (including Operating Software) failure, and which is performed as required, i.e., on an unscheduled basis.

**"Site License"** means for each product, the term "Site License" shall mean the license established upon acquisition of the applicable number of copies of such product and payment of the applicable license fees as set forth in the Statement of Work.

**"Software"** means an all-inclusive term which refers to any computer programs, routines, or subroutines supplied by the Contractor, including Operating Software, Programming Aids, Application Programs, and Program Products.

**"Software Failure"** means a malfunction in the Contractor-supplied Software, other than Operating Software, which prevents the accomplishment of work, even though the Equipment (including its Operating Software) may still be capable of operating properly. For Operating Software failure, see definition of Equipment Failure.

**"State"** means the government of the State of California, its employees and authorized representatives, including without limitation any department, agency, or other unit of the government of the State of California.

**"System"** means the complete collection of Hardware, Software and services as described in this Contract, integrated and functioning together, and performing in accordance with this Contract.

**"U.S. Intellectual Property Rights"** means intellectual property rights enforceable in the United States of America, including without limitation rights in trade secrets, copyrights, and U.S. patents.

### 2. CONTRACT FORMATION:

- a) If this Contract results from a sealed bid offered in response to a solicitation conducted pursuant to Chapters 2 (commencing with Section 10290), 3 (commencing with Section 12100), and 3.6 (commencing with Section 12125) of Part 2 of Division 2 of the Public Contract Code (PCC), then Contractor's bid is a firm offer to the State which is accepted by the issuance of this Contract and no further action is required by either party.
- b) If this Contract results from a solicitation other than described in paragraph a), above, Contractor's quotation or proposal is deemed a firm offer and this Contract document is the State's acceptance of that offer.
- c) If this Contract resulted from a joint bid, it shall be deemed one indivisible Contract. Each such joint Contractor will be jointly and severally liable for the performance of the entire Contract. The State assumes no responsibility or obligation for the division of orders or purchases among joint Contractors.

### 3. COMPLETE INTEGRATION: This Contract, including any documents incorporated herein by express reference, is intended to be a complete integration and there are no prior or contemporaneous different or additional agreements pertaining to the subject matter of the Contract.



## General Provisions – Information Technology

4. **SEVERABILITY:** The Contractor and the State agree that if any provision of this Contract is found to be illegal or unenforceable, such term or provision shall be deemed stricken and the remainder of the Contract shall remain in full force and effect. Either party having knowledge of such term or provision shall promptly inform the other of the presumed non-applicability of such provision.
5. **INDEPENDENT CONTRACTOR:** Contractor and the agents and employees of Contractor, in the performance of this Contract, shall act in an independent capacity and not as officers or employees or agents of the State.
6. **APPLICABLE LAW:** This Contract shall be governed by and shall be interpreted in accordance with the laws of the State of California; venue of any action brought with regard to this Contract shall be in Sacramento County, Sacramento, California. The United Nations Convention on Contracts for the International Sale of Goods shall not apply to this Contract.
7. **COMPLIANCE WITH STATUTES AND REGULATIONS:**
  - a) Contractor warrants and certifies that in the performance of this Contract, it will comply with all applicable statutes, rules, regulations and orders of the United States and the State of California and agrees to indemnify the State against any loss, cost, damage or liability by reason of the Contractor's violation of this provision.
  - b) The State will notify Contractor of any such claim in writing and tender the defense thereof within a reasonable time; and
  - c) Contractor will have sole control of the defense of any action on such claim and all negotiations for its settlement or compromise; provided that (i) when substantial principles of government or public law are involved, when litigation might create precedent affecting future State operations or liability, or when involvement of the State is otherwise mandated by law, the State may participate in such action at its own expense with respect to attorneys' fees and costs (but not liability); (ii) the State will have the right to approve or disapprove any settlement or compromise, which approval will not unreasonably be withheld or delayed; and (iii) the State will reasonably cooperate in the defense and in any related settlement negotiations.
  - d) If this Contract is in excess of \$500,000, it is subject to the requirements of the World Trade Organization (WTO) Government Procurement Agreement (GPA).
  - e) To the extent that this contract falls within the scope of Government Code Section 11135, Contractor hereby agrees to respond to and resolve any complaint brought to its attention, regarding accessibility of its products or services.
8. **CONTRACTOR'S POWER AND AUTHORITY:** The Contractor warrants that it has full power and authority to grant the rights herein granted and will hold the State harmless from and against any loss, cost, liability, and expense (including reasonable attorney fees) arising out of any breach of this warranty. Further, Contractor avers that it will not enter into any arrangement with any third party which might abridge any rights of the State under this Contract.
  - a) The State will notify Contractor of any such claim in writing and tender the defense thereof within a reasonable time; and

## General Provisions – Information Technology

b) Contractor will have sole control of the defense of any action on such claim and all negotiations for its settlement or compromise; provided that (i) when substantial principles of government or public law are involved, when litigation might create precedent affecting future State operations or liability, or when involvement of the State is otherwise mandated by law, the State may participate in such action at its own expense with respect to attorneys' fees and costs (but not liability); (ii) the State will have the right to approve or disapprove any settlement or compromise, which approval will not unreasonably be withheld or delayed; and (iii) the State will reasonably cooperate in the defense and in any related settlement negotiations.

**9. ASSIGNMENT:** This Contract shall not be assignable by the Contractor in whole or in part without the written consent of the State. For the purpose of this paragraph, State will not unreasonably prohibit Contractor from freely assigning its right to payment, provided that Contractor remains responsible for its obligations hereunder.

**10. WAIVER OF RIGHTS:** Any action or inaction by the State or the failure of the State on any occasion, to enforce any right or provision of the Contract, shall not be construed to be a waiver by the State of its rights hereunder and shall not prevent the State from enforcing such provision or right on any future occasion. The rights and remedies of the State herein are cumulative and are in addition to any other rights or remedies that the State may have at law or in equity.

**11. ORDER OF PRECEDENCE:** In the event of any inconsistency between the articles, attachments, specifications or provisions which constitute this Contract, the following order of precedence shall apply:

- a) these General Provisions - Information Technology;
- b) CAL PIA Supplemental General Provisions - Information Technology;
- c) contract form, i.e., Purchase Order STD 65, Standard Agreement STD 213, etc., and any amendments thereto;
- d) information technology special provisions;
- e) statement of work, including any specifications incorporated by reference herein; and
- f) all other attachments incorporated in the contract by reference.

**12. PACKING AND SHIPMENT:**

- a) All Goods are to be packed in suitable containers for protection in shipment and storage, and in accordance with applicable specifications. Each container of a multiple container shipment shall be identified to:
  - i) show the number of the container and the total number of containers in the shipment; and
  - ii) the number of the container in which the packing sheet has been enclosed.
- b) All shipments by Contractor or its subcontractors must include packing sheets identifying: the State's Contract number; item number; quantity and unit of measure; part number and description of the Goods shipped; and appropriate evidence of inspection, if required. Goods for different Contracts shall be listed on separate packing sheets.

### General Provisions – Information Technology

- c) Shipments must be made as specified in this Contract, as it may be amended, or otherwise directed in writing by Procurement Office.

**13. TRANSPORTATION COSTS AND OTHER FEES OR EXPENSES:** No charge for delivery, drayage, express, parcel post, packing, cartage, insurance, license fees, permits, cost of bonds, or for any other purpose will be paid by the State unless expressly included and itemized in the Contract.

- a) Contractor must strictly follow Contract requirements regarding Free on Board (F.O.B.), freight terms and routing instructions. The State may permit use of an alternate carrier at no additional cost to the State with advance written authorization of the Buyer.
- b) If "prepay and add" is selected, supporting freight bills are required when over \$50, unless an exact freight charge is approved by the Chief Procurement Officer and a waiver is granted.
- c) On "F.O.B. Shipping Point" transactions, should any shipments under the Contract be received by the State in a damaged condition and any related freight loss and damage claims filed against the carrier or carriers be wholly or partially declined by the carrier or carriers with the inference that damage was the result of the act of the shipper such as inadequate packaging or loading or some inherent defect in the Equipment and/or material, Contractor, on request of the State, shall at Contractor's own expense assist the State in establishing carrier liability by supplying evidence that the Equipment and/or material was properly constructed, manufactured, packaged, and secured to withstand normal transportation conditions.

**14. DELIVERY:** Contractor shall strictly adhere to the delivery and completion schedules specified in this Contract. Time, if stated as a number of days, shall mean calendar days unless otherwise specified. The quantities specified herein are the only quantities required. If Contractor delivers in excess of the quantities specified herein, the State shall not be required to make any payment for the excess Deliverables, and may return them to Contractor at Contractor's expense or utilize any other rights available to the State at law or in equity.

**15. SUBSTITUTIONS:** Substitution of Deliverables may not be tendered without advance written consent of the Buyer. Contractor shall not use any specification in lieu of those contained in the Contract without written consent of the Buyer.

**16. INSPECTION, ACCEPTANCE AND REJECTION:** Unless otherwise specified in the Statement of Work:

- a) Contractor and its subcontractors will provide and maintain a quality assurance system acceptable to the State covering Deliverables and services under this Contract and will tender to the State only those Deliverables that have been inspected and found to conform to this Contract's requirements. Contractor will keep records evidencing inspections and their result, and will make these records available to the State during Contract performance and for three years after final payment. Contractor shall permit the State to review procedures, practices, processes, and related documents to determine the acceptability of Contractor's quality assurance System or other similar business practices related to performance of the Contract.
- b) All Deliverables may be subject to inspection and test by the State or its authorized representatives.

## General Provisions – Information Technology

- c) Contractor and its subcontractors shall provide all reasonable facilities for the safety and convenience of inspectors at no additional cost to the State. Contractor shall furnish to inspectors all information and data as may be reasonably required to perform their inspection.
- d) All Deliverables may be subject to final inspection, test and acceptance by the State at destination, notwithstanding any payment or inspection at source.
- e) The State shall give written notice of rejection of Deliverables delivered or services performed hereunder within a reasonable time after receipt of such Deliverables or performance of such services. Such notice of rejection will state the respects in which the Deliverables do not substantially conform to their specifications. If the State does not provide such notice of rejection within thirty (30) days of delivery, such Deliverables and services will be deemed to have been accepted. Acceptance by the State will be final and irreversible, except as it relates to latent defects, fraud, and gross mistakes amounting to fraud. Acceptance shall not be construed to waive any warranty rights that the State might have at law or by express reservation in this Contract with respect to any nonconformity.

### 17. SAMPLES:

- a) Samples of items may be required by the State for inspection and specification testing and must be furnished free of expense to the State. The samples furnished must be identical in all respects to the products bid and/or specified in the Contract.
- b) Samples, if not destroyed by tests, may, upon request made at the time the sample is furnished, be returned at Contractor's expense.

### 18. WARRANTY:

- a) Unless otherwise specified in the Statement of Work, the warranties in this subsection a) begin upon delivery of the goods or services in question and end one (1) year thereafter. Contractor warrants that (i) Deliverables and services furnished hereunder will substantially conform to the requirements of this Contract (including without limitation all descriptions, specifications, and drawings identified in the Statement of Work), and (ii) the Deliverables will be free from material defects in materials and workmanship. Where the parties have agreed to design specifications (such as a Detailed Design Document) and incorporated the same or equivalent in the Statement of Work directly or by reference, Contractor will warrant that its Deliverables provide all material functionality required thereby. In addition to the other warranties set forth herein, where the Contract calls for delivery of Commercial Software, Contractor warrants that such Software will perform in accordance with its license and accompanying Documentation. The State's approval of designs or specifications furnished by Contractor shall not relieve the Contractor of its obligations under this warranty.
- b) Contractor warrants that Deliverables furnished hereunder (i) will be free, at the time of delivery, of harmful code (i.e. computer viruses, worms, trap doors, time bombs, disabling code, or any similar malicious mechanism designed to interfere with the intended operation of, or cause damage to, computers, data, or Software); and (ii) will not infringe or violate any U.S. Intellectual Property Right. Without limiting the generality of the foregoing, if the State believes that harmful code may be present in any Commercial Software delivered hereunder, Contractor will, upon the State's request, provide a master copy of the Software for comparison and correction.

## General Provisions – Information Technology

- c) Unless otherwise specified in the Statement of Work:
  - (i) Contractor does not warrant that any Software provided hereunder is error-free or that it will run without immaterial interruption.
  - (ii) Contractor does not warrant and will have no responsibility for a claim to the extent that it arises directly from (A) a modification made by the State, unless such modification is approved or directed by Contractor, (B) use of Software in combination with or on products other than as specified by Contractor, or (C) misuse by the State.
  - (iii) Where Contractor resells Hardware or Software it purchased from a third party, and such third party offers additional or more advantageous warranties than those set forth herein, Contractor will pass through any such warranties to the State and will reasonably cooperate in enforcing them. Such warranty pass-through will be supplemental to, and not relieve Contractor from, Contractor's warranty obligations set forth above.
- d) All warranties, including special warranties specified elsewhere herein, shall inure to the State, its successors, assigns, customer agencies, and governmental users of the Deliverables or services.
- e) Except as may be specifically provided in the Statement of Work or elsewhere in this Contract, for any breach of the warranties provided in this Section, the State's exclusive remedy and Contractor's sole obligation will be limited to:
  - (i) re-performance, repair, or replacement of the nonconforming Deliverable (including without limitation an infringing Deliverable) or service; or
  - (ii) should the State in its sole discretion consent, refund of all amounts paid by the State for the nonconforming Deliverable or service and payment to the State of any additional amounts necessary to equal the State's Cost to Cover. "Cost to Cover" means the cost, properly mitigated, of procuring Deliverables or services of equivalent capability, function, and performance. The payment obligation in subsection (e)(ii) above will not exceed the limits on Contractor's liability set forth in the Section entitled "Limitation of Liability."
- f) EXCEPT FOR THE EXPRESS WARRANTIES SPECIFIED IN THIS SECTION, CONTRACTOR MAKES NO WARRANTIES EITHER EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

**19. SAFETY AND ACCIDENT PREVENTION:** In performing work under this Contract on State premises, Contractor shall conform to any specific safety requirements contained in the Contract or as required by law or regulation. Contractor shall take any additional precautions as the State may reasonably require for safety and accident prevention purposes. Any violation of such rules and requirements, unless promptly corrected, shall be grounds for termination of this Contract in accordance with the default provisions hereof.

**20. INSURANCE:** When performing work on property in the care, custody or control of the State, Contractor shall maintain all commercial general liability insurance, workers' compensation insurance and any other insurance the State deems appropriate under the Contract. Contractor shall furnish an insurance certificate evidencing required insurance coverage acceptable to the State. Upon request by the Buyer, the Contractor may be required to have the State shown as an "additional insured" on selected policies.

## **General Provisions – Information Technology**

### **21. TERMINATION FOR NON-APPROPRIATION OF FUNDS:**

- a) If the term of this Contract extends into fiscal years subsequent to that in which it is approved, such continuation of the Contract is contingent on the appropriation of funds for such purpose by the Legislature. If funds to effect such continued payment are not appropriated, Contractor agrees to take back any affected Deliverables furnished under this Contract, terminate any services supplied to the State under this Contract, and relieve the State of any further obligation therefore.
- b) STATE AGREES THAT IF PARAGRAPH a) ABOVE IS INVOKED, DELIVERABLES SHALL BE RETURNED TO THE CONTRACTOR IN SUBSTANTIALLY THE SAME CONDITION IN WHICH DELIVERED TO THE STATE, SUBJECT TO NORMAL WEAR AND TEAR. STATE FURTHER AGREES TO PAY FOR PACKING, CRATING, TRANSPORTATION TO CONTRACTOR'S NEAREST FACILITY AND FOR REIMBURSEMENT TO THE CONTRACTOR FOR EXPENSES INCURRED FOR THEIR ASSISTANCE IN SUCH PACKING AND CRATING.

### **22. TERMINATION FOR THE CONVENIENCE OF THE STATE:**

- a) The State may terminate performance of work under this Contract for its convenience in whole or, from time to time, in part, if the CAL PIA Chief Procurement Officer, or designee, determines that a termination is in the State's interest. The CAL PIA Chief Procurement Officer, or designee, shall terminate by delivering to the Contractor a Notice of Termination specifying the extent of termination and the effective date thereof.
- b) After receipt of a Notice of Termination, and except as directed by the State, the Contractor shall immediately proceed with the following obligations, as applicable, regardless of any delay in determining or adjusting any amounts due under this clause. The Contractor shall:
  - (i) Stop work as specified in the Notice of Termination.
  - (ii) Place no further subcontracts for materials, services, or facilities, except as necessary to complete the continuing portion of the Contract.
  - (iii) Terminate all subcontracts to the extent they relate to the work terminated.
  - (iv) Settle all outstanding liabilities and termination settlement proposals arising from the termination of subcontracts;
- c) Unless otherwise set forth in the Statement of Work, if the Contractor and the State fail to agree on the amount to be paid because of the termination for convenience, the State will pay the Contractor the following amounts; provided that in no event will total payments exceed the amount payable to the Contractor if the Contract had been fully performed:
  - (i) The Contract price for Deliverables or services accepted by the State and not previously paid for, adjusted for any savings on freight and other charges; and
  - (ii) The total of:
    - A) The reasonable costs incurred in the performance of the work terminated, including initial costs and preparatory expenses allocable thereto, but excluding any cost attributable to Deliverables or services paid or to be paid;
    - B) The reasonable cost of settling and paying termination settlement proposals under terminated subcontracts that are properly chargeable to the terminated portion of the Contract; and

## General Provisions – Information Technology

- C) Reasonable storage, transportation, demobilization, unamortized overhead and capital costs, and other costs reasonably incurred by the Contractor in winding down and terminating its work.
- d) The Contractor will use generally accepted accounting principles, or accounting principles otherwise agreed to in writing by the parties, and sound business practices in determining all costs claimed, agreed to, or determined under this clause.

### 23. TERMINATION FOR DEFAULT:

- a) The State may, subject to the clause titled "Force Majeure" and to sub-section d) below, by written notice of default to the Contractor, terminate this Contract in whole or in part if the Contractor fails to:
  - i) Deliver the Deliverables or perform the services within the time specified in the Contract or any amendment thereto;
  - ii) Make progress, so that the lack of progress endangers performance of this Contract; or
  - iii) Perform any of the other provisions of this Contract.
- b) The State's right to terminate this Contract under sub-section a) above, may be exercised if the failure constitutes a material breach of this Contract and if the Contractor does not cure such failure within the time frame stated in the State's cure notice, which in no event will be less than fifteen (15) days, unless the Statement of Work calls for a shorter period.
- c) If the State terminates this Contract in whole or in part pursuant to this Section, it may acquire, under terms and in the manner the Buyer considers appropriate, Deliverables or services similar to those terminated, and the Contractor will be liable to the State for any excess costs for those Deliverables and services, including without limitation costs third party vendors charge for Manufacturing Materials (but subject to the clause entitled "Limitation of Liability"). However, the Contractor shall continue the work not terminated.
- d) If the Contract is terminated for default, the State may require the Contractor to transfer title, or in the case of licensed Software, license, and deliver to the State, as directed by the Buyer, any:
  - (i) completed Deliverables,-
  - (ii) partially completed Deliverables, and,
  - (iii) subject to—provisions of sub-section e) below, Manufacturing Materials related to the terminated portion of this Contract. Nothing in this sub-section d) will be construed to grant the State rights to Deliverables that it would not have received had this Contract been fully performed. Upon direction of the Buyer, the Contractor shall also protect and preserve property in its possession in which the State has an interest.
- e) The State shall pay Contract price for completed Deliverables delivered and accepted. Unless the Statement of Work calls for different procedures or requires no-charge delivery of materials, the Contractor and Buyer shall attempt to agree on the amount of payment for Manufacturing Materials and other materials delivered and accepted by the State for the protection and preservation of the property; provided that where the Contractor has billed the State for any such materials, no additional charge will apply .

## General Provisions – Information Technology

Failure to agree will constitute a dispute under the Disputes clause. The State may withhold from these amounts any sum it determines to be necessary to protect the State against loss because of outstanding liens or claims of former lien holders.

- f) If, after termination, it is determined by a final ruling in accordance with the Disputes Clause that the Contractor was not in default, the rights and obligations of the parties shall be the same as if the termination had been issued for the convenience of the State.
- g) The rights and remedies of the State in this clause are in addition to any other rights and remedies provided by law or under this Contract, and are subject to the clause titled "Limitation of Liability."

### 24. FORCE MAJEURE

Except for defaults of subcontractors at any tier, the Contractor shall not be liable for any excess costs if the failure to perform the Contract arises from causes beyond the control and without the fault or negligence of the Contractor. Examples of such causes include, but are not limited to:

- a) Acts of God or of the public enemy, and
- b) Acts of the federal or State government in either its sovereign or contractual capacity.  
If the failure to perform is caused by the default of a subcontractor at any tier, and if the cause of the default is beyond the control of both the Contractor and subcontractor, and without the fault or negligence of either, the Contractor shall not be liable for any excess costs for failure to perform.

### 25. RIGHTS AND REMEDIES OF STATE FOR DEFAULT:

- a) In the event any Deliverables furnished or services provided by the Contractor in the performance of the Contract should fail to conform to the requirements herein, or to the sample submitted by the Contractor, the State may reject the same, and it shall become the duty of the Contractor to reclaim and remove the item promptly or to correct the performance of services, without expense to the State, and immediately replace all such rejected items with others conforming to the Contract.
- b) In addition to any other rights and remedies the State may have, the State may require Contractor, at Contractor's expense, to ship Deliverables via air freight or expedited routing to avoid or minimize actual or potential delay if the delay is the fault of the Contractor.
- c) In the event of the termination of the Contract, either in whole or in part, by reason of default or breach by the Contractor, any loss or damage sustained by the State in procuring any items which the Contractor agreed to supply shall be borne and paid for by the Contractor (but subject to the clause entitled "Limitation of Liability").
- d) The State reserves the right to offset the reasonable cost of all damages caused to the State against any outstanding invoices or amounts owed to Contractor or to make a claim against the Contractor therefore.



## General Provisions – Information Technology

### 26. LIMITATION OF LIABILITY:

- a) Contractor's liability for damages to the State for any cause whatsoever, and regardless of the form of action, whether in Contract or in tort, shall be limited to two times the Purchase Price. For purposes of this sub-section a), "Purchase Price" will mean the aggregate contract price; except that, with respect to a Contract under which multiple purchase orders will be issued (e.g., a Master Agreement or Multiple Award Schedule contract), "Purchase Price" will mean the total price of the purchase order for the Deliverable(s) or service(s) that gave rise to the loss, such that Contractor will have a separate limitation of liability for each purchase order.
- b) The foregoing limitation of liability shall not apply (i) to liability under the General Provisions, entitled "Patent, Copyright, and Trade Secret Protection" or to any other liability (including without limitation indemnification obligations) for infringement of third party intellectual property rights; (ii) to claims covered by any specific provision herein calling for liquidated damages; (iii) to claims arising under provisions herein calling for indemnification for third party claims against the State for bodily injury to persons or damage to real or tangible personal property caused by Contractor's negligence or willful misconduct; or (iv) to costs or attorney's fees that the State becomes entitled to recover as a prevailing party in any action.
- c) The State's liability for damages for any cause whatsoever, and regardless of the form of action, whether in Contract or in tort, shall be limited to the Purchase Price, as that term is defined in subsection a) above. Nothing herein shall be construed to waive or limit the State's sovereign immunity or any other immunity from suit provided by law.
- d) In no event will either the Contractor or the State be liable for consequential, incidental, indirect, special, or punitive damages, even if notification has been given as to the possibility of such damages, except (i) to the extent that Contractor's liability for such damages is specifically set forth in the Statement of Work or (ii) to the extent that Contractor's liability for such damages arises out of sub-section b)(i), b)(ii), or b)(iv) above.

### 27. CONTRACTOR'S LIABILITY FOR INJURY TO PERSONS OR DAMAGE TO PROPERTY:

- a) The Contractor shall be liable for damages arising out of injury to the person and/or damage to the property of the State, employees of the State, persons designated by the State for training, or any other person(s) other than agents or employees of the Contractor, designated by the State for any purpose, prior to, during, or subsequent to delivery, installation, acceptance, and use of the Deliverables either at the Contractor's site or at the State's place of business, provided that the injury or damage was caused by the fault or negligence of the Contractor.
- b) Contractor shall not be liable for damages arising out of or caused by an alteration or an Attachment not made or installed by the Contractor, or for damage to alterations or Attachments that may result from the normal operation and maintenance of the Deliverables provided by the Contractor during the Contract.

### 28. INDEMNIFICATION: Contractor agrees to indemnify, defend and save harmless the State, its officers, agents and employees from any and all third party claims, costs (including without limitation reasonable attorneys' fees), and losses due to the injury or death of any individual, or the loss or damage to any real or tangible personal property, resulting from

## General Provisions – Information Technology

the willful misconduct or negligent acts or omissions of Contractor or any of its agents, subcontractors, employees, suppliers, laborers, or any other person, firm, or corporation furnishing or supplying work, services, materials, or supplies in connection with the performance of this Contract. Such defense and payment will be conditional upon the following:

- a) The State will notify Contractor of any such claim in writing and tender the defense thereof within a reasonable time; and
- b) Contractor will have sole control of the defense of any action on such claim and all negotiations for its settlement or compromise; provided that (i) when substantial principles of government or public law are involved, when litigation might create precedent affecting future State operations or liability, or when involvement of the State is otherwise mandated by law, the State may participate in such action at its own expense with respect to attorneys' fees and costs (but not liability); (ii) the State will have the right to approve or disapprove any settlement or compromise, which approval will not unreasonably be withheld or delayed; and (iii) the State will reasonably cooperate in the defense and in any related settlement negotiations.

- 29. **INVOICES:** Unless otherwise specified, invoices shall be sent to the address set forth herein. Invoices shall be submitted in triplicate and shall include the Contract number; release order number (if applicable); item number; unit price, extended item price and invoice total amount. State sales tax and/or use tax shall be itemized separately and added to each invoice as applicable.
- 30. **REQUIRED PAYMENT DATE:** Payment will be made in accordance with the provisions of the California Prompt Payment Act, Government Code Section 927 et. seq. Unless expressly exempted by statute, the Act requires State agencies to pay properly submitted, undisputed invoices not more than 45 days after (i) the date of acceptance of Deliverables or performance of services; or (ii) receipt of an undisputed invoice, whichever is later.
- 31. **TAXES:** Unless otherwise required by law, the State of California is exempt from Federal excise taxes. The State will only pay for any State or local sales or use taxes on the services rendered or Goods supplied to the State pursuant to this Contract.
- 32. **NEWLY MANUFACTURED GOODS:** All Goods furnished under this Contract shall be newly manufactured Goods; used or reconditioned Goods are prohibited, unless otherwise specified.
- 33. **CONTRACT MODIFICATION:** No amendment or variation of the terms of this Contract shall be valid unless made in writing, signed by the parties and approved as required. No oral understanding or agreement not incorporated in the Contract is binding on any of the parties.
- 34. **CONFIDENTIALITY OF DATA:** All financial, statistical, personal, technical and other data and information relating to the State's operation which are designated confidential by the State and made available to the Contractor in order to carry out this Contract, or which become available to the Contractor in carrying out this Contract, shall be protected by the Contractor from unauthorized use and disclosure through the observance of the same or more effective procedural requirements as are applicable to the State. The identification of all such confidential data and information as well as the State's procedural requirements for protection of such data and information from unauthorized use and disclosure shall be provided by the State in writing to the Contractor. If the methods and procedures employed by the Contractor for the protection of the Contractor's data and information are deemed by the State to be adequate for the protection of the State's confidential

## General Provisions – Information Technology

information, such methods and procedures may be used, with the written consent of the State, to carry out the intent of this paragraph. The Contractor shall not be required under the provisions of this paragraph to keep confidential any data or information which is or becomes publicly available, is already rightfully in the Contractor's possession, is independently developed by the Contractor outside the scope of this Contract, or is rightfully obtained from third parties.

**35. NEWS RELEASES:** Unless otherwise exempted, news releases pertaining to this contract shall not be made without prior written approval of CAL PIA. Contractor may not make reference to or otherwise use CAL PIA's name, logo or likeness for any purpose whatsoever without prior written approval from CAL PIA.

### **36. DOCUMENTATION**

- a) The Contractor agrees to provide to the State, at no charge, a number of all nonproprietary manuals and other printed materials, as described within the Statement of Work, and updated versions thereof, which are necessary or useful to the State in its use of the Equipment or Software provided hereunder. The Contractor agrees to provide additional Documentation at prices not in excess of charges made by the Contractor to its other customers for similar Documentation.
- b) If the Contractor is unable to perform maintenance or the State desires to perform its own maintenance on Equipment purchased under this Contract then upon written notice by the State the Contractor will provide at Contractor's then current rates and fees adequate and reasonable assistance including relevant Documentation to allow the State to maintain the Equipment based on Contractor's methodology. The Contractor agrees that the State may reproduce such Documentation for its own use in maintaining the Equipment. If the Contractor is unable to perform maintenance, the Contractor agrees to license any other Contractor that the State may have hired to maintain the Equipment to use the above noted Documentation. The State agrees to include the Contractor's copyright notice on any such Documentation reproduced, in accordance with copyright instructions to be provided by the Contractor.

### **37. RIGHTS IN WORK PRODUCT:**

- a) All inventions, discoveries, intellectual property, technical communications and records originated or prepared by the Contractor pursuant to this Contract including papers, reports, charts, computer programs, and other Documentation or improvements thereto, and including Contractor's administrative communications and records relating to this Contract (collectively, the "Work Product"), shall be Contractor's exclusive property. The provisions of this sub-section a) may be revised in a Statement of Work.
- b) Software and other materials developed or otherwise obtained by or for Contractor or its affiliates independently of this Contract or applicable purchase order ("Pre-Existing Materials") do not constitute Work Product. If Contractor creates derivative works of Pre-Existing Materials, the elements of such derivative works created pursuant to this Contract constitute Work Product, but other elements do not. Nothing in this Section 37 will be construed to interfere with Contractor's or its affiliates' ownership of Pre-Existing Materials.

## **General Provisions – Information Technology**

- c) The State will have Government Purpose Rights to the Work Product as Deliverable or delivered to the State hereunder. "Government Purpose Rights" are the unlimited, irrevocable, worldwide, perpetual, royalty-free, non-exclusive rights and licenses to use, modify, reproduce, perform, release, display, create derivative works from, and disclose the Work Product. "Government Purpose Rights" also include the right to release or disclose the Work Product outside the State for any State government purpose and to authorize recipients to use, modify, reproduce, perform, release, display, create derivative works from, and disclose the Work Product for any State government purpose. Such recipients of the Work Product may include, without limitation, State Contractors, California local governments, the U.S. federal government, and the State and local governments of other states. "Government Purpose Rights" do not include any rights to use, modify, reproduce, perform, release, display, create derivative works from, or disclose the Work Product for any commercial purpose.
- d) The ideas, concepts, know-how, or techniques relating to data processing, developed during the course of this Contract by the Contractor or jointly by the Contractor and the State may be used by either party without obligation of notice or accounting.
- e) This Contract shall not preclude the Contractor from developing materials outside this Contract that are competitive, irrespective of their similarity to materials which might be delivered to the State pursuant to this Contract.

### **38. PROTECTION OF PROPRIETARY SOFTWARE AND OTHER PROPRIETARY DATA**

- a) State agrees that all material appropriately marked or identified in writing as proprietary, and furnished hereunder are provided for State's exclusive use for the purposes of this Contract only. All such proprietary data shall remain the property of the Contractor. State agrees to take all reasonable steps to insure that such proprietary data are not disclosed to others, without prior written consent of the Contractor, subject to the California Public Records Act.
- b) The State will insure, prior to disposing of any media, that any licensed materials contained thereon have been erased or otherwise destroyed.
- c) The State agrees that it will take appropriate action by instruction, agreement or otherwise with its employees or other persons permitted access to licensed software and other proprietary data to satisfy its obligations under this Contract with respect to use, copying, modification, protection and security of proprietary software and other proprietary data..

### **39. PATENT, COPYRIGHT AND TRADE SECRET INDEMNITY:**

- a) Contractor will indemnify, defend, and save harmless the State, its officers, agents, and employees, from any and all third party claims, costs (including without limitation reasonable attorneys' fees), and losses for infringement or violation of any U.S. Intellectual Property Right by any product or service provided hereunder. With respect to claims arising from computer Hardware or Software manufactured by a third party and sold by Contractor as a reseller, Contractor will pass through to the State such indemnity rights as it receives from such third party ("Third Party Obligation") and will cooperate in enforcing them; provided that if the third party manufacturer fails to honor the Third Party Obligation, Contractor will provide the State with indemnity protection

## General Provisions – Information Technology

equal to that called for by the Third Party Obligation, but in no event greater than that called for in the first sentence of this Section 39a). The provisions of the preceding sentence apply only to third party computer Hardware or Software sold as a distinct unit and accepted by the State.

Unless a Third Party Obligation provides otherwise, the defense and payment obligations set forth in this Section 39a) will be conditional upon the following:

- i) The State will notify Contractor of any such claim in writing and tender the defense thereof within a reasonable time; and
  - ii) Contractor will have sole control of the defense of any action on such claim and all negotiations for its settlement or compromise; provided that (i) when substantial principles of government or public law are involved, when litigation might create precedent affecting future State operations or liability, or when involvement of the State is otherwise mandated by law, the State may participate in such action at its own expense with respect to attorneys' fees and costs (but not liability); (ii) the State will have the right to approve or disapprove any settlement or compromise, which approval will not unreasonably be withheld or delayed; and (iii) the State will reasonably cooperate in the defense and in any related settlement negotiations.
- b) Contractor may be required to furnish a bond to the State against any and all loss, damage, costs, expenses, claims and liability for patent, copyright and trade secret infringement.
- c) Should the Deliverables or Software, or the operation thereof, become, or in the Contractor's opinion are likely to become, the subject of a claim of infringement or violation of a U.S. Intellectual Property Right, the State shall permit the Contractor at its option and expense either to procure for the State the right to continue using the Deliverables or Software, or to replace or modify the same so that they become non-infringing. If none of these options can reasonably be taken, or if the use of such Deliverables or Software by the State shall be prevented by injunction, the Contractor agrees to take back such Deliverables or Software and make every reasonable effort to assist the State in procuring substitute Deliverables or Software. If, in the sole opinion of the State, the return of such infringing Deliverables or Software makes the retention of other Deliverables or Software acquired from the Contractor under this Contract impractical, the State shall then have the option of terminating such Contracts, or applicable portions thereof, without penalty or termination charge. The Contractor agrees to take back such Deliverables or Software and refund any sums the State has paid Contractor less any reasonable amount for use or damage.
- d) The Contractor shall have no liability to the State under any provision of this clause with respect to any claim of patent, copyright or trade secret infringement which is based upon:
- (i) The combination or utilization of Deliverables furnished hereunder with Equipment or devices not made or furnished by the Contractor; or,
  - (ii) The operation of Equipment furnished by the Contractor under the control of any Operating Software other than, or in addition to, the current version of Contractor-supplied Operating Software; or
  - (iii) The modification by the State of the Equipment furnished hereunder or of the Software; or
  - (iv) The combination or utilization of Software furnished hereunder with non-contractor supplied Software.
- e) Contractor certifies that it has appropriate systems and controls in place to ensure that State funds will not be used in the performance of this Contract for the acquisition, operation or maintenance of computer Software in violation of copyright laws.

## General Provisions – Information Technology

**40. EXAMINATION AND AUDIT:** Contractor agrees that the State, or its designated representative shall have the right to review and copy any records and supporting Documentation pertaining to performance of this Contract. Contractor agrees to maintain such records for possible audit for a minimum of three (3) years after final payment, unless a longer period of records retention is stipulated. Contractor agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees or others who might reasonably have information related to such records. Further, Contractor agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this Contract.

**41. DISPUTES:**

- a) The parties shall deal in good faith and attempt to resolve potential disputes informally. If the dispute persists, Contractor shall submit to the CAL PIA General Manager or designee a written demand for a final decision regarding the disposition of any dispute between the parties arising under, related to or involving this Contract, unless the State, on its own initiative, has already rendered such a final decision. Contractor's written demand shall be fully supported by factual information, and if such demand involves a cost adjustment to the Contract, Contractor shall include with the demand a written statement signed by an authorized person indicating that the demand is made in good faith, that the supporting data are accurate and complete and that the amount requested accurately reflects the Contract adjustment for which Contractor believes the State is liable. If the Contractor is not satisfied with the decision of the CAL PIA General Manager or designee, the Contractor may appeal the decision to the Prison Industry Board.
- b) Pending the final resolution of any dispute arising under, related to or involving this Contract, Contractor agrees to diligently proceed with the performance of this Contract, including the delivery of Goods or providing of services in accordance with the CAL PIA's instructions. Contractor's failure to diligently proceed in accordance with the CAL PIA's instructions shall be considered a material breach of this Contract.
- c) Any final decision of the State shall be expressly identified as such, shall be in writing, and shall be signed by the CAL PIA General Manager or designee if an appeal was made. If the State fails to render a final decision within 30 days after receipt of Contractor's demand, it shall be deemed a final decision adverse to Contractor's contentions. The State's final decision shall be conclusive and binding regarding the dispute unless Contractor commences an action in a court of competent jurisdiction to contest such decision within 30 days following the date of the final decision or one (1) year following the accrual of the cause of action, whichever is later.

**42. STOP WORK:**

- a) The State may, at any time, by written Stop Work Order to the Contractor, require the Contractor to stop all, or any part, of the work called for by this Contract for a period up to 90 days after the Stop Work Order is delivered to the Contractor, and for any further period to which the parties may agree. The Stop Work Order shall be specifically identified as such and shall indicate it is issued under this clause. Upon receipt of the Stop Work Order, the Contractor shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the Stop Work Order during the period of work stoppage. Within a period of 90 days after a Stop Work Order is delivered to the Contractor, or within any extension of that period to which the parties shall have agreed, the State shall either:
  - (i) Cancel the Stop Work Order; or

### General Provisions – Information Technology

- (ii) Terminate the work covered by the Stop Work Order as provided for in the termination for default or the termination for convenience clause of this Contract.
- b) If a Stop Work Order issued under this clause is canceled or the period of the Stop Work Order or any extension thereof expires, the Contractor shall resume work. The State shall make an equitable adjustment in the delivery schedule, the Contract price, or both, and the Contract shall be modified, in writing, accordingly, if:
  - (i) The Stop Work Order results in an increase in the time required for, or in the Contractor's cost properly allocable to the performance of any part of this Contract; and
  - (ii) The Contractor asserts its right to an equitable adjustment within 30 days after the end of the period of work stoppage; provided that if the State decides the facts justify the action, the State may receive and act upon a proposal submitted at any time before final payment under this Contract.
- c) If a Stop Work Order is not canceled and the work covered by the Stop Work Order is terminated in accordance with the provision entitled Termination for the Convenience of the State, the State shall allow reasonable costs resulting from the Stop Work Order in arriving at the termination settlement.
- d) The State shall not be liable to the Contractor for loss of profits because of a Stop Work Order issued under this clause.

#### 43. FOLLOW-ON CONTRACTS:

- a) If the Contractor or its affiliates provides Technical Consulting and Direction (as defined below), the Contractor and its affiliates:
  - (i) will not be awarded a subsequent Contract to supply the service or system, or any significant component thereof, that is used for or in connection with any subject of such Technical Consulting and Direction; and
  - (ii) will not act as consultant to any person or entity that does receive a Contract described in sub-section (i). This prohibition will continue for one (1) year after termination of this Contract or completion of the Technical Consulting and Direction, whichever comes later.
- b) "Technical Consulting and Direction" means services for which the Contractor received compensation from the State and includes:
  - (i) development of or assistance in the development of work statements, specifications, solicitations, or feasibility studies;
  - (ii) development or design of test requirements;
  - (iii) evaluation of test data;
  - (iv) direction of or evaluation of another Contractor;
  - (v) provision of formal recommendations regarding the acquisition of Information Technology products or services; or
  - (vi) provisions of formal recommendations regarding any of the above. For purposes of this Section, "affiliates" are employees, directors, partners, joint venture participants, parent corporations, subsidiaries, or any other entity controlled by, controlling, or under common control with the Contractor. Control exists when an entity owns or directs more than fifty percent (50%) of the outstanding shares or securities representing the right to vote for the election of directors or other managing authority.

## General Provisions – Information Technology

- c) To the extent permissible by law, the Chief Procurement Officer, or designee, may waive the restrictions set forth in this Section by written notice to the Contractor if the Director determines their application would not be in the State's best interest. Except as prohibited by law, the restrictions of this Section will not apply:
  - (i) to follow-on advice given by vendors of commercial off-the-shelf products, including Software and Hardware, on the operation, integration, repair, or maintenance of such products after sale; or
  - (ii) where the State has entered into a master agreement for Software or services and the scope of work at the time of Contract execution expressly calls for future recommendations among the Contractor's own products.
- d) The restrictions set forth in this Section are in addition to conflict of interest restrictions imposed on public Contractors by California law ("Conflict Laws"). In the event of any inconsistency, such Conflict Laws override the provisions of this Section, even if enacted after execution of this Contract.

**44. PRIORITY HIRING CONSIDERATIONS:** If this Contract includes services in excess of \$200,000, the Contractor shall give priority consideration in filling vacancies in positions funded by the Contract to qualified recipients of aid under Welfare and Institutions Code Section 11200 in accordance with PCC Section 10353.

**45. COVENANT AGAINST GRATUITIES:** The Contractor warrants that no gratuities (in the form of entertainment, gifts, or otherwise) were offered or given by the Contractor, or any agent or representative of the Contractor, to any officer or employee of the State with a view toward securing the Contract or securing favorable treatment with respect to any determinations concerning the performance of the Contract. For breach or violation of this warranty, the State shall have the right to terminate the Contract, either in whole or in part, and any loss or damage sustained by the State in procuring on the open market any items which Contractor agreed to supply shall be borne and paid for by the Contractor. The rights and remedies of the State provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or in equity.

**46. NONDISCRIMINATION CLAUSE:**

- a) During the performance of this Contract, Contractor and its subcontractors shall not unlawfully discriminate, harass or allow harassment, against any employee or applicant for employment because of sex, sexual orientation, race, color, ancestry, religious creed, national origin, disability (including HIV and AIDS), medical condition (cancer), age, marital status, and denial of family care leave. Contractor and subcontractors shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Contractor and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code, Section 12990 et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285.0 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations are incorporated into this Contract by reference and made a part hereof as if set forth in full. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.



## General Provisions – Information Technology

- b) The Contractor shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Contract.

**47. NATIONAL LABOR RELATIONS BOARD CERTIFICATION:** Contractor swears under penalty of perjury that no more than one final, unappealable finding of contempt of court by a federal court has been issued against the Contractor within the immediately preceding two-year period because of the Contractor's failure to comply with an order of the National Labor Relations Board. This provision is required by, and shall be construed in accordance with, PCC Section 10296.

**48. ASSIGNMENT OF ANTITRUST ACTIONS:** Pursuant to Government Code Sections 4552, 4553, and 4554, the following provisions are incorporated herein:

- a) In submitting a bid to the State, the supplier offers and agrees that if the bid is accepted, it will assign to the State all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. 15) or under the Cartwright Act (Chapter 2, commencing with Section 16700, of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of Goods, material or other items, or services by the supplier for sale to the State pursuant to the solicitation. Such assignment shall be made and become effective at the time the State tenders final payment to the supplier.
- b) If the State receives, either through judgment or settlement, a monetary recovery for a cause of action assigned under this chapter, the assignor shall be entitled to receive reimbursement for actual legal costs incurred and may, upon demand, recover from the State any portion of the recovery, including treble damages, attributable to overcharges that were paid by the assignor but were not paid by the State as part of the bid price, less the expenses incurred in obtaining that portion of the recovery.
- c) Upon demand in writing by the assignor, the assignee shall, within one year from such demand, reassign the cause of action assigned under this part if the assignor has been or may have been injured by the violation of law for which the cause of action arose and
  - (i) the assignee has not been injured thereby, or
  - (ii) the assignee declines to file a court action for the cause of action.

**49. DRUG-FREE WORKPLACE CERTIFICATION:** The Contractor certifies under penalty of perjury under the laws of the State of California that the Contractor will comply with the requirements of the Drug-Free Workplace Act of 1990 (Government Code Section 8350 et seq.) and will provide a drug-free workplace by taking the following actions:

- a) Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations, as required by Government Code Section 8355(a).
- b) Establish a Drug-Free Awareness Program as required by Government Code Section 8355(b) to inform employees about all of the following:
  - (i) the dangers of drug abuse in the workplace;
  - (ii) the person's or organization's policy of maintaining a drug-free workplace;
  - (iii) any available counseling, rehabilitation and employee assistance programs; and,
  - (iv) penalties that may be imposed upon employees for drug abuse violations.
- c) Provide, as required by Government Code Section 8355(c), that every employee who works on the proposed or resulting Contract:

## General Provisions – Information Technology

- (i) will receive a copy of the company's drug-free policy statement; and,
- (ii) will agree to abide by the terms of the company's statement as a condition of employment on the Contract.

**50. FOUR-DIGIT DATE COMPLIANCE:** Contractor warrants that it will provide only Four-Digit Date Compliant (as defined below) Deliverables and/or services to the State. "Four Digit Date Compliant" Deliverables and services can accurately process, calculate, compare, and sequence date data, including without limitation date data arising out of or relating to leap years and changes in centuries. This warranty and representation is subject to the warranty terms and conditions of this Contract and does not limit the generality of warranty obligations set forth elsewhere herein.

**51. SWEATFREE CODE OF CONDUCT:**

- a) Contractor declares under penalty of perjury that no equipment, materials, or supplies furnished to the State pursuant to the contract have been produced in whole or in part by sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor, or with the benefit of sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor. Contractor further declares under penalty of perjury that they adhere to the Sweatfree Code of Conduct as set forth on the California Department of Industrial Relations website located at [www.dir.ca.gov](http://www.dir.ca.gov), and Public Contract Code Section 6108.
- b) Contractor agrees to cooperate fully in providing reasonable access to its records, documents, agents or employees, or premises if reasonably required by authorized officials of the State, the Department of Industrial Relations, or the Department of Justice to determine Contractor's compliance with the requirements under paragraph (a).

**52. RECYCLING:** The Contractor shall certify in writing under penalty of perjury, the minimum, if not exact, percentage of post consumer material as defined in the Public Contract Code Section 12200, in products, materials, goods, or supplies offered or sold to the State regardless of whether the product meets the requirements of Section 12209. With respect to printer or duplication cartridges that comply with the requirements of Section 12156(e), the certification required by this subdivision shall specify that the cartridges so comply (PCC 12205).

**53. CHILD SUPPORT COMPLIANCE ACT:** For any Contract in excess of \$100,000, the Contractor acknowledges in accordance with PCC Section 7110, that:

- a) The Contractor recognizes the importance of child and family support obligations and shall fully comply with all applicable State and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with Section 5200) of Part 5 of Division 9 of the Family Code; and
- b) The Contractor, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.

### General Provisions – Information Technology

- 54. AMERICANS WITH DISABILITIES ACT:** Contractor assures the State that Contractor complies with the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq).
- 55. ELECTRONIC WASTE RECYCLING ACT OF 2003:** The Contractor certifies that it complies with the requirements of the Electronic Waste Recycling Act of 2003, Chapter 8.5, Part 3 of Division 30, commencing with Section 42460 of the Public Resources Code, relating to hazardous and solid waste. Contractor shall maintain documentation and provide reasonable access to its records and documents that evidence compliance.
- 56. USE TAX COLLECTION:** In accordance with PCC Section 10295.1, Contractor certifies that it complies with the requirements of Section 7101 of the Revenue and Taxation Code. Contractor further certifies that it will immediately advise State of any change in its retailer's seller's permit or certification of registration or applicable affiliate's seller's permit or certificate of registration as described in subdivision (a) of PCC Section 10295.1.
- 57. EXPATRIATE CORPORATIONS:** Contractor hereby declares that it is not an expatriate corporation or subsidiary of an expatriate corporation within the meaning of PCC Sections 10286 and 10286.1, and is eligible to contract with the State.
- 58. DOMESTIC PARTNERS:** For contracts over \$100,000 executed or amended after January 1, 2007, the contractor certifies that the contractor is in compliance with Public Contract Code section 10295.3.

## Bidders Instructions - General

### Introduction:

These instructions set forth the procedures and rules governing the Invitation for Bid (IFB) process at the California Prison Industry Authority (CALPIA). All prospective bidders should review these instructions prior to submitting a bid. These general instructions contain provisions, which apply to both material and service solicitations unless otherwise indicated.

### 1. Definitions

- a. **“Bid”** means an offer, made in response to a solicitation to perform a contract for providing services or to supply goods at a specified price, whether or not it is considered a “sealed bid” or results in award of a contract to a single or non-competitively bid contract.
- b. **“Bidder”** means any individual and/or entity that submit a bid to California Prison Industry Authority in response to a solicitation.
- c. **“Solicitation”** means the process of notifying prospective bidders that California Prison Industry Authority is requesting bids for furnishing goods or services.

### 2. Submission of Bids:

All bids must be submitted under sealed cover and sent to the California Prison Industry Authority by dates and times shown in the time schedule set forth in the Invitation for Bid (IFB) document. If no time for receipt of bids is specified in the IFB, the bid shall be due by the close of the business day on the date indicated. Close of the business day shall be 5:00 p.m. All times are Pacific Standard Time (PST)/Pacific Daylight Time (PDT). The sealed cover must be plainly marked with the IFB number and title, must show your firm name and address, and must be marked with “DO NOT OPEN”, as shown in the following example:

IFB Number: IFB Number  
IFB Name: Contract Name

Attention: Analyst Name  
**BID SUBMITTAL – DO NOT OPEN**

- a. Bids must be hand delivered or sent via U.S. Mail or common carrier unless another method (e.g. facsimile) is specifically authorized in the solicitation.
- b. A “sealed” bid is required. Bids not submitted under sealed cover may be rejected. One (1) copy of the bid must be submitted unless more copies are required pursuant to the IFB document. Each bid shall be separately sealed inside an envelope and must be signed and received by the closing time and date specified, and on the forms furnished by CALPIA to be considered for award.
- c. The bidder is solely responsible for ensuring that the full bid is received by CALPIA in accordance with the solicitation requirements, prior to the date time specified in the solicitation, and at the place specified. The CALPIA shall not be responsible for any delays in mail or by common carriers or by transmission errors or delays or mis-delivery.

**Bidders Instructions - General**

- d. Bids received after the time stated will be considered non-responsive.
- e. If no time for receipt of bids is specified in the solicitation, the bid shall be due by the close of the business day on the date indicated. Close of the business day shall be 5:00 p.m. All times are Pacific Standard Time (PST)/Pacific Daylight Time (PDT).
- f. Generally, sealed bids will be opened and read on the due date unless another date and time is specified in the solicitation or any addendum thereto.
- g. All bids shall include the documents identified in the IFB's Required Attachment Checklist. Bids not including the proper "required attachments" are non-responsive, and may be rejected.
- h. All documents requiring a signature must bear an original signature of the person authorized to bind the bidding firm and must indicate the title or position the individual holds in the firm.
- i. A bid may be rejected if it is conditional or incomplete, or if it contains any alterations of form or other irregularities of any kind. The California Prison Industry Authority may reject any or all bids at any time for any reason, and the California Prison Industry Authority may waive any immaterial deviation in a bid. The California Prison Industry Authority's waiver of immaterial defect shall in no way modify the IFB document or excuse the bidder from full compliance with all requirements set forth in the IFB if awarded the contract.
- j. Bids must include the performance of all services described in the scope of work, or all goods set forth in the specifications, herein. Any deviation from the scope of work or specifications will not be considered and may cause a bid to be rejected.
- k. Costs for developing bids and in anticipation of award of the contract are entirely the responsibility of the bidder and shall not be charged to the California Prison Industry Authority.
- l. A bid may be modified after its submission by the withdrawal of the original bid, and the resubmittal of a new bid prior to the bid submission deadline. Bid modifications offered in any other manner will not be considered.
- m. A bid may be withdrawn by submitting a written withdrawal request signed by the person authorized to bind the bidding firm to the California Prison Industry Authority prior to the bid submission deadline. A bid may not be withdrawn after the submission deadline unless approved by the California Prison Industry Authority.
- n. Unless specified elsewhere, all bids shall be valid for forty-five (45) days following the bid submission deadline, and during that time, the bid will be an irrevocable offer to provide the California Prison Industry Authority with the subject goods or services at the prices set forth in the bid and on the terms and conditions set forth in the IFB document.
- o. The California Prison Industry Authority may modify the IFB prior to the bid submission deadline by issuing an addendum to all known parties who received a bid package. If a bidder received this IFB through someone other than the California Prison Industry Authority it is the responsibility of the bidder to advise the California Prison Industry Authority of its intention to provide a bid so that any addenda or other correspondence related to this IFB may be sent to the bidder.

## **Bidders Instructions - General**

- p. Bidders are cautioned not rely on the California Prison Industry Authority during the evaluation process to discover and report to the bidder any defects and errors in the submitted documents. Bidders, before submitting their documents, should carefully proof them for errors and adherence to the IFB requirements.
- q. Where applicable, each bidder should carefully examine work sites, specifications, and/or scope of work. Each bidder shall investigate the conditions, character, and quality of surface or subsurface materials or obstacles that might be encountered. No additions or increases to the contract amount will be made due to a lack of careful examination of work sites, specifications, and/or scope of work.

### **3. Solicitation Addendum (Addenda):**

- a. If a supplier received this solicitation through some means other than being a pre-qualified supplier on CALPIA's bidders list, it is the responsibility of the supplier to advise the Contract Analyst of its intention to provide a bid so that addenda or other correspondence related to the solicitation will be sent to the supplier.
- b. In the event that the solicitation is revised by an addendum, supplier shall submit the original solicitation and any addenda that the Contract Analyst requires to be submitted.
- c. Price(s) offered shall reflect all addenda issued by CALPIA. CALPIA will interpret the bid to include all addenda issued in any resulting contract.

### **4. Inspection of Solicitation Documents:**

Supplier shall carefully review all documents referenced and made a part of this solicitation to ensure that all information required to properly respond to the solicitation has been received or made available and all requirements are priced in the bid. Failure to examine any document, drawing, specification, or instruction will be at the supplier's sole risk.

### **5. Brand Names: (Materials Only)**

Any reference to brand names and/or numbers in the solicitation is intended to be descriptive, but not restrictive, unless otherwise specified. Bids offering equivalent items meeting the standards of quality specified may be considered, unless otherwise specified, providing the bid clearly describes the article offered and how it differs from the referenced brand. Unless bidder specifies otherwise, it is understood that the bidder is offering a referenced brand item as specified in the solicitation. The CALPIA reserves the right to determine whether a substitute offer is equivalent to and meets the standards of quality indicated by the brand name references, and CALPIA may require the supply of additional descriptive material and a sample.

### **6. Specifications Concerns: (Materials Only)**

- a. In the event a supplier believes that CALPIA's solicitation is unfairly restrictive, ambiguous, contains conflicting provisions or mistakes, or in the supplier's experience any resulting contract would be commercially impractical to perform, the matter should be promptly brought to the attention of the Contract Analyst identified in the solicitation, either by telephone, letter or visit, immediately upon

## **Bidders Instructions - General**

receipt of the solicitation, in order that the matter may be fully considered and appropriate action taken by CALPIA prior to the closing time set to receive bids.

- b. The CALPIA has sole discretion to take any action, or to refrain from taking any action, regarding any alleged default in any solicitation.

### **7. Validity of Bids:**

Unless specified elsewhere in the solicitation, bidder's bid shall be valid for forty-five (45) days following the date the bid is due, and during that time, the bid will be an irrevocable offer to provide CALPIA with the subject goods or services at the prices set forth in the bid and on the terms and conditions set forth in the solicitation.

### **8. Mistake in Bid:**

If prior to contract award, a bidder discovers a mistake in their bid that renders the bidder unwilling to perform under any resulting contract, the bidder must immediately notify the Contract Analyst and request to withdraw the bid. It shall be solely within CALPIA's discretion as to whether withdrawal will be permitted. If the solicitation contemplated evaluation and award of "all or none" of the items, then any withdrawal must be for the entire bid. If the solicitation provided for evaluation and award on a line item or combination of items basis, CALPIA may consider permitting withdrawal of specific line item(s) or combination of items.

### **9. Joint Bids:**

A joint bid submitted by two or more bidders participating jointly in one bid may be submitted and each participating bidder must sign the joint bid. If a contract is awarded to bidders who furnished a joint bid, it shall be deemed to be part of one indivisible contract. Each such joint contractor will be jointly and severally liable for the performance of the entire contract, and the joint contractors must designate, in writing, one individual having authority to represent them in all matters relating to the contract. The CALPIA assumes no responsibility or obligation for the division of orders or purchases among joint contractors.

### **10. Non-Discrimination Toward WTO GPA Signatories:**

Any contract resulting from this solicitation in excess of \$500,000 is subject to the requirements of the World Trade Organization (WTO) Government Procurement Agreement (GPA). All bidders offering products or services of countries that are signatories to the WTO GPA will be accorded non-discriminatory treatment in the award of contracts under this solicitation. These countries currently include the member states of the European Union (Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain, Sweden, and the United Kingdom), Aruba, Hong Kong, Singapore, Israel, Japan, Korea, Liechtenstein, Norway, and Switzerland.

### **11. Independence of Bid:**

Unless supplier is furnishing a joint bid, by submitting this bid, bidder swears under penalty of perjury that it did not conspire with any other supplier to set prices in violation of anti trust laws.

## **Bidders Instructions - General**

### **12. Independent Contractor Reporting Requirements:**

Any independent contractor, prior to being awarded a purchase order that contains services, must provide certain information pertaining to its business to CALPIA. The CALPIA in accordance with Unemployment Insurance Code Section 1088.8, will report such information to the Employment Development Department. By submitting a bid, bidder acknowledges this information is required and that it is being reported to the Employment Development Department.

### **13. Pre-Bid Conference/Walk Through**

- a. If a pre-bid conference/walk through is scheduled and a potential prime contractor is unable to attend, an authorized representative may attend in their behalf. The representative may only sign-in for one (1) company. Subcontractors may not represent a potential prime contractor at a pre-bid conference/walk through. If the pre-bid conference/walk through is mandatory, no bid will be accepted unless the bidder or his authorized representative was in attendance.
- b. Attendees for the pre-bid conference/walk through are required to contact the analyst designated on the cover page five (5) business days prior to the scheduled pre-bid conference/walk through. Bidders will be required to provide and carry their driver's license or California DMV photo identification card number, date of birth, and complete name to secure gate clearance for admittance onto institution grounds.
- c. Note: Bidders or their representatives will not be admitted onto institution grounds dressed in shorts or blue chambray, denim, orange, olive green or black clothing as these colors are used for inmate and correctional staff attire. In addition, no weapons, no cameras, no tobacco products, no alcohol, no drugs, no drug paraphernalia, no wireless devices such as pagers, blackberries, and cellular phones are allowed on institution grounds.

### **14. Reasonable Accommodation**

For contractors who need assistance due to a physical impairment, a reasonable accommodation will be provided by the California Prison Industry Authority upon request for the pre-bid conference/walk through. The contractor must call the analyst designated on the cover page no later than the fifth (5<sup>th</sup>) business day prior to the scheduled date and time of the pre-bid conference/walk through to arrange for a reasonable accommodation.

### **15. Evaluation of Bids:**

- a. Where more than one line item is specified in the solicitation, CALPIA reserves the right to determine the "Best Value" bidder, either on the basis of individual items, combination of items as specified in the solicitation, or on the basis of all items included in the solicitation, unless otherwise expressly provided. CALPIA reserves the right to issue multiple contracts, if at its sole discretion CALPIA determines that doing so is in CALPIA's best interests.
- b. Unless otherwise specified in the solicitation, CALPIA may accept any item or combination of items as specified in the solicitation, of any bid unless the bidder expressly objects and conditions its response on receiving all items for which it provided a bid. In the event that the bidder so objects, CALPIA may consider the



## **Bidders Instructions - General**

bidder's objection and evaluate whether the award on such basis will result in the best value for CALPIA or may determine in its sole discretion that such an objection renders the bidder ineligible for award.

- c. All other criteria to be used in evaluating bids will be identified elsewhere in the solicitation.
- d. At the time of bid opening, all bids will be opened publicly. No decision will be announced at that time. Notification of contract award will be in writing only.
- e. Following the bid opening each bid will be checked for the presence or absence of required information in conformance with the submission requirements of this IFB. The California Prison Industry Authority will then evaluate each bid to determine best value.
- f. Unless otherwise specified in the IFB, CALPIA may accept any item or items as specified in the IFB
- g. The California Prison Industry Authority reserves the right to issue multiple contracts if, at its sole discretion, the California Prison Industry Authority determines that doing so is in the California Prison Industry Authority's best interests.

### **16. Responsible Bidder**

Bidders may be required to submit evidence of their qualifications. The question of whether a particular bidder is a responsible bidder involves an evaluation of the bidder's experience, facilities, reputation, financial resources, and other factors existing at the time of the award. Please complete the Bidder/Supplier Responsibility Information form and return it with your bid.

### **17. Unfair Practices Act and other Laws:**

Supplier warrants that its bid complies with the Unfair Practices Act (Business and Professions Code Section 17000 et seq.) and all applicable State and Federal laws and regulations.

### **18. Conflict of interest:**

- a. Current State Employees (PCC Section 10410):
- b. No officer or employee shall engage in any employment, activity or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any State agency, unless the employment, activity or enterprise is required as a condition of regular State employment.
- c. No officer or employee shall contract on his or her own behalf as an independent contractor with any State agency to provide goods or services.
- d. Former State Employees (PCC Section 10411): For the two-year period from the date he or she left State employment, no former State officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements or any part of the decision-making process relevant to the contract while employed in any capacity by any State agency.
- e. For the twelve-month period from the date he or she left State employment, no former State officer or employee may enter into a contract with any State agency if he or she was employed by that agency in a policy-making position in the same

## **Bidders Instructions - General**

general subject area as the proposed contract within the twelve-month period prior to his or her leaving State service.

### **19. Contract Dollar Value:**

The California Prison Industry Authority is not obligated to purchase any particular quantity of any goods or services from the contractor. Quantities shown for each line item are estimated and are the anticipated contract purchase pattern. The California Prison Industry Authority will not be obligated to purchase the contractor's excess inventory of any line item if actual purchases vary from the anticipated purchase pattern. The California Prison Industry Authority reserves the right to order more or less of any of the indicated line items.

### **20. Purchases Outside the Contract:**

During the term of any contract resulting from this bid, the California Prison Industry Authority, at its sole discretion, purchase same or similar goods from a source other than the Contractor. The Contractor may be allowed to offer goods at a reduced price. In the event that the goods are purchased from the Contractor at a reduced price, such purchase shall be considered a contract purchase and all other terms and conditions of the contract shall remain in full force and effect.

### **21. Emergency Purchase:**

In the event of an emergency as determined by the California Prison Industry Authority at the California Prison Industry Authority's sole discretion, the California Prison Industry Authority may purchase any required line item from other than the contractor.

### **22. Ordering Procedure: (Materials Only)**

Orders are to be issued by the California Prison Industry Authority on a Purchase Order and sent directly to the contractor. Prices are per the attached price sheet.

### **23. Notices/Contact Information**

Written notices shall be sent to the California Prison Industry Authority, 560 E. Natoma Street, Folsom, CA 95630-2200, Attention to the analyst designated on the cover page stated on the cover page.

Written notices from the California Prison Industry Authority to the contractor shall be sent to the name and address or fax number set forth on the Price Sheet, Cost Sheet, or Scope of Work submitted by the bidder. This contact information may be changed if written notice of the change is sent to the other party; no formal contract amendment will be needed to change the contact information.

### **24. The California Prison Industry Authority's Rights**

- a. The California Prison Industry Authority reserves the right to modify or cancel in whole or in part its solicitation at any time prior to contract award.
- b. The California Prison Industry Authority reserves the right to reject any or all bids at any time or for any reason. Among other things, the California Prison Industry Authority may reject a bid if the California Prison Industry Authority determines

## Bidders Instructions - General

that a bidder's bid was non-responsive to the solicitation requirements or if the California Prison Industry Authority determines that a bidder is not a responsible supplier.

- c. The California Prison Industry Authority may waive any irregularity in any bid if the California Prison Industry Authority, at its sole discretion, determines that it is in the California Prison Industry Authority's best interest to do so.

### 25.Prices (Materials Only)

- a. All prices and notations must be printed in ink or typewritten
- b. Only bids quoted on the California Prison Industry Authority's own Cost Sheet will be considered.
- c. Unit prices may not be more than four (4) places to the right of the decimal point. For example, a unit price \$.56726 each would exceed this limitation. Unit prices, which exceed this limitation, will automatically be truncated to the fourth decimal place for both evaluation and award purposes. Using the example just cited "6" at the end of the unit price would be truncated (i.e., dropped off) leaving a unit price of \$.5672 each.
- d. If there is a discrepancy between the unit price and the extension price, the unit price shall prevail.
- e. The CALPIA, at its sole discretion, will determine whether an error in the bid may cause the rejection of that bid. For instance, CALPIA may at its sole option retain the bid and make certain arithmetic corrections. In determining if a correction will be made, CALPIA will consider the conformance of the bid to the format and content required by the solicitation, and any unusual complexity of the format and content required by the solicitation.
  - i. If the bidder's intent is clearly established based on review of the complete bid submittal, CALPIA may at its sole option correct an error based on that established intent.
  - ii. The CALPIA may at its sole option correct obvious clerical errors.
  - iii. The total price of unit-price items will be the product of the unit price and the quantity of the item. If the unit price is ambiguous, unintelligible or uncertain for any cause, or is omitted, it shall be the amount obtained by dividing the "Extension" price by the quantity of the item.

### 26. Cash Discounts:

For the purpose of this bid the California Prison Industry Authority will consider cash discounts for bid evaluation purposes.

- a. The contractor may offer any cash discount amount. However, for the purpose of the bid evaluation, when the cash discount offered exceeds five (5) percent, it will be calculated at five (5) percent during the bid evaluation. For example, if the bidder offers a cash discount of six (6) percent, for the purpose of the bid evaluation only, the California Prison Industry Authority will calculate the cash discount at five (5) percent when evaluating the bid.
- b. For the purpose of the bid evaluation only, if the bidder offers a cash discount of less than twenty (20) days or less than one half (1/2) of one (1) percent, CALPIA will not adjust their bid for cash discount.

## **Bidders Instructions - General**

- c. The California Prison Industry Authority has a history of taking cash discounts and intends to take advantage of cash discounts offered in response to this IFB when they are in the best interest of the State.

### **27. Disposition of Bids:**

Upon bid opening, all documents submitted in response to this IFB will become the property of the California Prison Industry Authority.

### **28. Samples to Determine Responsiveness to Technical Requirements for Purposes of Award: (Materials Only)**

- a. Samples of items, when required by the California Prison Industry Authority, must be furnished at no cost to the California Prison Industry Authority unless otherwise provided.
- b. The sample or samples furnished must be identical in all respects to the product or products being offered to the California Prison Industry Authority.
- c. Bidders offering products of a different manufacturer and model number than those specified on the IFB may be required to submit samples for inspection and specification compliance testing in order for the California Prison Industry Authority to determine if the item offered is equivalent to and meets the minimum standards of quality acceptable to the California Prison Industry Authority as indicated by the manufacturer and model number specified in the IFB.
- d. Samples not destroyed by tests may be returned to bidders at their expense provided the request for return was made at the time the samples are provided.
- e. Samples may be required prior to contract award. If requested, such samples must be delivered to the address specified by the California Prison Industry Authority, and within the timeframe identified in the request notification. Failure to submit samples as requested may be grounds for bid rejection.

### **29. Specification Concerns: (Materials Only)**

- a. In the event a bidder believes that the California Prison Industry Authority's IFB document is unfairly restrictive, ambiguous, contains conflicting provisions or mistakes, or in the bidder's experience any resulting contract would be commercially impractical to perform, the matter should be promptly brought to the attention of the contract analyst identified in the IFB document in writing immediately upon receipt of the IFB, in order that the matter may be fully considered and appropriate action taken by the California Prison Industry Authority prior to the closing time set to receive bids.
- b. The California Prison Industry Authority, at its sole discretion, may take any action it deems appropriate to address any concerns communicated pursuant to the above section.

### **30. Consultant/Contractor Requirements: (Services Only)**

Failure to comply with your filing obligation as set forth herein and in Government Code, Section 87302, will be deemed a material breach of an agreement, and may subject you to other penalties (see Government Code, Sections 87300, 91000, 91003.5, 91004 and 91005.5).

## **Bidders Instructions - General**

- a. Statement of Economic Interest (Form 700): As a consultant you will be included in the CDCR/CALPIA conflict of interest code (Title 15, Section 3416) and therefore will be required to file a statement of economic interest (SEI) pursuant to Government Code, Section 87302. As such you will have to file an assuming office SEI within 30 calendar days of executing an agreement. You will have to file an annual SEI by April 1<sup>st</sup> of each year thereafter, and at leaving office SEI within 30 calendar days of the end date or termination of an agreement.
- b. Payee Data Record (STD 204): The Contractor must complete and submit to the California Prison Industry Authority the Payee Data Record (STD 204), to determine if the Contractor is subject to state income tax withholding pursuant to California Revenue and Taxation Code Sections 18662 and 26131. This form can be found on the Internet at [www.pia.ca.gov](http://www.pia.ca.gov), at the General Info Tab, and then select [Doing Business with CALPIA](#). No payment shall be made unless a completed STD 204 has been returned to the California Prison Industry Authority.

### **31. Independent Contractor Reporting Requirements**

Any independent contractor, prior to being awarded a purchase order that contains services, must provide certain information pertaining to its business to the California Prison Industry Authority. The California Prison Industry Authority in accordance with Unemployment Insurance Code Section 1088.8, will report such information to the Employment Development Department. By submitting a bid, bidder acknowledges this information is required and that it is being reported to the Employment Development Department.

### **32. Governing Law**

This contract is governed by and shall be interpreted in accordance with the laws of the State of California. The contractor is responsible for complying with all provisions of the law that apply to this transaction.

### **33. Americans with Disability Act**

To comply with the non-discrimination requirements of the Americans with Disability Act (ADA), it is the policy of the California Prison Industry Authority to make every effort to ensure that its programs, activities and services are available to all persons, including persons with a disability needing a reasonable accommodation to participate in the procurement process. Persons having questions regarding reasonable accommodations in the procurement process, you may contact the Contract Analyst listed elsewhere in this solicitation.

#### **CALIFORNIA RELAY SERVICE**

Voice: 1-800-735-2922 or

1-888-877-5379

TTY: 1-800-735-2929 or

1-888-877-5378

Speech-to-Speech: 1-800-854-7784

## **Bidders Instructions - General**

Note: To ensure that we can meet your need, it is best that we receive your request for reasonable modification at least **ten 10 working days** before the scheduled event or the due date for procurement documents.

### **34. Protest**

- a. Any protest regarding the bid process or contract award must be in writing and must be received by the General Manager, or designee, no later than five (5) calendar days after the contract award notification is delivered.
- b. All protests must state clearly the issue(s) that are the subject of the protest, along with all facts and arguments that form the basis of the protest.
- c. A Protest may be faxed, mailed or delivered to the General Manager or designee at 560 East Natoma Street, Folsom, CA 95630-2200 provided it is received no later than the close of business on the fifth calendar day after the award notification is received.
- d. The decision of the General Manager or designee is final. Transactions will proceed consistent with the General Manager or designee decision.

## Security Provisions

### 1. SECURITY REGULATIONS

- A. Contractor and/or subcontractors or referred personnel shall cooperate with institutional authorities by observing and complying with all California Department of Corrections rules and regulations presently enforced.
- B. Contractor shall not cause undue interference with the operations of the institution.
- C. No picketing is allowed on State property.
- D. Contractor will ensure that employees have read the "Digest of Laws Relating to Association with Prison Inmates", prior to beginning work. Contractor is responsible for the supervision of its employees and is cautioned to train and re-brief employees on the provisions of the Digest as necessary.

### 2. GATE CLEARANCE

- A. All Contractors' employees must be cleared prior to undertaking service. The Contractor will be required to complete a Request for Gate Clearance for all persons entering the facility a minimum of five (5) working days prior to commencement of service. The Request for Gate Clearance must include the person's name, social security number, valid state driver's license number or identification card number and date of birth. Information shall be submitted to the Contract Liaison or his/her designee. CDC uses the Request for Gate Clearance to run a California Law Enforcement Telecommunications System (CLETS) check. The check will include Department of Motor Vehicles check, Wants and Warrants check, and Criminal History check.
- B. Gate clearance may be denied for the following reasons: individual's presence in the institution presents a serious threat to security, individual has been charged with a serious crime committed on institution property, inadequate information is available to establish positive identity of prospective individual, and/or deliberate falsification of identity by the prospective individual.
- C. Contractor must notify the CALPIA of any changes of those personnel allowed access to State premises for the purpose of providing services outlined herein. The State reserves the right to conduct fingerprinting and clearance of all Contractors' personnel through the Department of Justice, Bureau of Criminal Identification and Information prior to being permitted access to the premises.
- D. All persons entering the facilities must have a valid state driver's license or photo identification card on their person.
- E. Bidders, Vendors, Contractors or their representatives are not allowed to bring onto CDCR institution grounds the following: (this list is not all inclusive) Weapons, Cameras, Tobacco Products, Alcohol, Drugs, Drug Paraphernalia, Wireless Devices (such as Pagers, Blackberries, and Cellular Phones).

### 3. VEHICLES, PARKING AND SITE ACCESS

- A. As directed by the Entrance Gate Officer and CALPIA Project Representative, the Contractor and its employees may enter the institution through the main entrance gate. Private and non-essential vehicles shall be parked in the visitor's lot.
- B. All persons shall remove ignition keys from their vehicles when they are out of the vehicle. Unattended vehicles shall be locked. Contractor's equipment shall be rendered

(Rev 10/07)

## Security Provisions

temporarily inoperative when not in use, by locking or other means. Loss of time in checking in and out shall be borne by the Contractor.

- C. In order to maintain prison security, searches on site may become necessary, and keys must be furnished to provide access to all locked areas or places on the site and for periodic fire prevention inspections. The State shall in no way be responsible for the Contractor's loss due to fire.

### 4. CLOTHING/ATTIRE

Contractor agrees that while on institution grounds, all agents, employees, and/or representatives of the Contractor shall be professionally and appropriately attired and shall work in clothing distinct from that worn by inmates at the institution. Contractor's employees will not wear blue or gray denim jeans/pants/trousers or chambray shirts as this is inmate attire. Also, Contractor's employees shall not wear orange/red/yellow jumpsuits or rainwear. These requirements apply when entering and exiting the institution through all entrance gates.

### 5. TUBERCULOSIS TESTING

- A. Prior to the performance of contracted duties, Contractors and any employees and/or sub-contractors who are assigned to work with inmates on a regular basis shall be required to be examined, tested, or medically evaluated for TB in an infectious or contagious stage, and once a year thereafter or more often as directed by CDC. Regular basis is defined as having contact with inmates in confined quarters more than once a week.
- B. Contractors and any employees and/or sub-contractors shall provide to the CDC, at no cost to the state, a CDC 7336 Employee Initial/Annual Tuberculosis (TB) Skin Test, and a CDC 7354 TB Infectious Free Staff Certification, prior to assuming any contract duties, and annually thereafter, as evidence that the Contractor and any employees and or sub-contractors have been examined and found free of TB in an infectious stage. The CDC 7336 and the CDC 7354 will be provided by the institution upon Contractor's request.

### 6. LIABILITY FOR LOSS AND DAMAGES

Any damages by the Contractor to the State's facility including equipment, furniture, materials or other State property will be repaired or replaced by the Contractor to the satisfaction of the State at no cost to the State. The State may, at its option, repair any such damage and deduct the cost thereof from any sum due Contractor under this contract.

### 7. WORK AREA

Contractor will ensure that the work area is kept clean and free of debris, as necessary, to maintain a safe working environment for staff and inmates. While working on equipment, Contractor agrees to perform services with as little disruption to the State's operations as possible. All tools, equipment and other work materials belonging to the Contractor will be removed from the Institution at the end of each working day. The State shall not be responsible for storage of any Contractor property.



## Security Provisions

### 8. EQUIPMENT

- A. Restrictions may be placed on the quantity and type of equipment and materials left within existing facilities during breaks, meals or at the end of each work day.
- B. All Contractor-owned equipment shall be stored and secured at the close of the day in a place of security provided by the Contractor, and as approved by the CALPIA Project Representative. The Contractor shall be required to maintain an inventory sheet of equipment stored or used which shall be checked at the beginning and at the end of each work day to verify that all equipment are present and accounted for. Immediately upon discovery of the loss of any equipment or materials, the Contractor and/or his employees shall report the loss to the Contractor Manager or his/her designee. The State of California or the Institution shall not be responsible for any loss due to theft or otherwise.
- C. Material and equipment storage shall be located as close to work areas as custodial regulations permit. The CALPIA Project Representative or his/her designee shall coordinate use of property areas with the Contractor to ascertain if the Contractor's needs are met to the fullest extent possible.

### 9. INMATE, PAROLEE, EX-OFFENDER NOTIFICATION

Contractors are encouraged to employ inmates, parolees, and ex-offenders of the California Department of Corrections and Rehabilitation. Contractors who employ these individuals must notify the Prison Industry Authority and provide CALPIA with the job description, including duties and responsibilities for each such employee. Contractors shall obtain from the Prison Industry Authority Contract Manager approval of such employees involvement in work performed during the course of the contract.

### 10. LAWS, RULES, AND REGULATIONS

During the term of this Contract, the contractor, contractor personnel and other persons acting on behalf of (or at the direction of) the contractor must comply with all provisions of the law, rules, regulations, policies and/or directions regarding conduct that must take place or that may not take place while the contractor, contractor personnel and any other person acting on behalf of (or at the direction of) the contractor is in any facility or is on any property owned or used by the State of California or by any agency, department or other subdivision of the California State government. The provisions of the law, rules, regulations, policies and directions that are the subject of this provision of this Contract include those that are in effect at the inception of the Contract and also those come to have effect during the term of the Contract. Any violation of this provision of this Contract shall constitute a material breach of the Contract.

### 11. DIGEST OF LAWS RELATED TO ASSOCIATION WITH INMATES

- A. For information and guidance of persons visiting or working with or around inmates of the Department of Corrections and Rehabilitation, the following is a digest of laws and rules related to association with inmates.

## Security Provisions

- 1) Persons who are not departmental employees but are assigned to or engaged in work in any departmental facility shall observe all rules, regulations, and laws governing the conduct of employees. Failure to comply may lead to expulsion.

References: Penal Code (PC) Sections 5054 and 5058; California Code of Regulations (CCR) Title 15 Division (Div.) 3 Sections 3285 and 3415.

- 2) A warning sign is posted at the entrance to all public and business roadways onto the grounds of institutions, camps, and other departmental facilities where inmates or parolees are housed, indicating that by entering these grounds you consent to the search of your person, property, and vehicle.

References: CCR Title 15 Div. 3 Sections 3173 and 3288.

- 3) Refusal of visitors to submit to a search and inspection of their person, and property, and/or vehicles brought onto institution grounds may be cause for denial of visit.

References: PC Sections 2601, 5054, and 5058; CCR Title 15 Div. 3 Sections 3173 and 3177.

- 4) Persons normally permitted to enter a departmental facility or institution may be barred for cause by the Director, Warden, Superintendent, or Regional Administrator.

References: PC Sections 5054 and 5058; CCR Title 15 Div. 3, Section 3176.

- 5) It is a crime to falsify one's identity to gain admission to a facility. It is a crime for a person previously convicted of a felony in this state to enter the grounds of a facility without permission of the official in charge.

References: PC Sections 4570.5 and 4571; CCR Title 15 Div. 3 Section 3173.

- 6) It is a crime to enter institution property for unauthorized purposes. It is also a crime to refuse to leave when requested to do so by an official.

References: PC Section 602; CCR Title 15 Div. 3 Section 3289.

- 7) Abetting or assisting inmates to escape is a crime, It is also a crime to bring firearms, deadly weapons, explosives, or tear gas on facility grounds. It is a crime to give inmates firearms, weapons, explosives, alcoholic beverages, narcotics, including cocaine or marijuana, any other drug, or tobacco.

References: PC Sections 2772, 2790, 4533, 4535, 4550, 4573, 4573.5, 4573.6, 4574, and CCR Title 15 Div. 3 Sections 3006.

- 8) It is a crime to give or take letters from inmates without the authorization of the Warden.

References: PC Section 4570; CCR Title 15 Div. 3 Section 3401.

(Rev 10/07)

## Security Provisions

- 9) Giving gifts or presents to inmates is not permitted.

References:PC Section 2541; CCR Title 15 Div. 3 Sections 3010 and 3399.

- 10)Receiving gifts from inmates is not permitted.

References:PC Sections 2540 and 2541; CCR Title 15 Div. 3 Sections 3010, 3399 and 3424.

- 11)In the event of an emergency situation that affects a significant portion of the inmate population at an institution, the visiting program and other program activities may be suspended during the period of emergency.

References:PC Section 2601; CCR Title 15 Div. 3 Section 3383.

- 12)Employees shall not permit the taking of hostages by inmates or others in an attempt to escape, to otherwise interfere with orderly institution operations. Hostages will not be recognized for bargaining purposes. All inmates, visitors and staff will be informed of this regulation.

References:PC Sections 5054 and 5058; CCR Title 15 Div. 3 Section 3304.

- 13)It is a crime for a person to make verbal or written statements concerning a discharged inmate to procure or deprive the inmate of employment or for the purpose of extortion.

References: PC Section 2947.

**VENDOR CERTIFICATION SHEET**

The signature below is required and authorizes the verification of this certification.

1. Company Name	2.a Telephone Number (   )	2.b. Fax Number (   )
3. Address		
Indicate your organization type:		
4. <input type="checkbox"/> Sole Proprietorship	5. <input type="checkbox"/> Partnership	6. <input type="checkbox"/> Corporation
Indicate the applicable employee and/or corporation number:		
7. Federal Employee ID No. (FEIN/SSN):	8. California Corporation No:	
Indicate applicable license and/or certification information:		
9. Contractor's State Licensing Board Number:	10. PUC License Number CAL-T:	11. Other Licenses:
12. Printed Name of Person Signing	13. Title of Person Signing	
14. Signature:	15. Date:	
16. For accounting reporting purposes, please provide the following information: Are you certified with the California Department of General Services, Office of Small Business Certification and Resources (OSBCR) as:		
a. California Small Business Yes <input type="checkbox"/> No <input type="checkbox"/> If yes, enter certification number below: _____	Micro Business Yes <input type="checkbox"/> No <input type="checkbox"/> SIC # _____ Expiration Date: _____	b. Disabled Veteran Business Enterprise Yes <input type="checkbox"/> No <input type="checkbox"/> If yes, enter your service code below: _____
FOR PIA CONTRACT USE ONLY: CONTRACT NUMBER: _____		
CONTRACT BEGINS: _____ CONTRACT EXPIRES: _____		

### Completion Instructions for Vender Certification Sheet

Complete the numbered items on the Vender Certification Sheet by following the instructions below.

Item Numbers	Instructions
1, 2a, 2b, 3	Must be completed. 1. Enter your name if sole proprietor or independent contractor. All other items are self-explanatory.
4	Check if your firm is a sole proprietorship. A sole proprietorship is a form of business in which one person owns all the assets of the business in contrast to a partnership and corporation. The sole proprietor is solely liable for all the debts of the business.
5	Check if your firm is a partnership. A partnership is a voluntary agreement between two or more competent persons to place their money, effects, labor, and skill, or some or all of them in lawful commerce or business, with the understanding that there shall be a proportional sharing of the profits and losses between them. An association of two or more persons to carry on, as co-owners, a business for profit.
6	Check if your firm is a corporation. A corporation is an artificial person or legal entity created by or under the authority of the laws of a state or nation, composed, in some rare instances, of a single person and his successors, being the incumbents of a particular office, but ordinarily consisting of an association of numerous individuals.
7	Enter your federal employee tax identification number or social security number if independent contractor.
8	Complete if you are a corporation: Enter your corporation number assigned by the California Secretary of State's Office. This information is used for checking if a corporation is in good standing and qualified to conduct business in California.
9	Complete if your firm holds a California contractor's license. This information will be used to verify possession of a contractor's license for public works agreements.
10	Complete if your firm holds a PUC license. This information will be used to verify possession of a PUC license for public works agreements.
11	Complete, if applicable, by indicating the type of license and/or certification that your firm possesses and that is required for the type of services being procured.
12, 13, 14, 15	Must be completed. These items are self-explanatory.
16	This information is requested by PIA Accounting. If certified as a Small Business Enterprise/Micro Business, place a check in the "Yes" box, and enter your certification number and expiration date on the lines. If certified as a Disabled Veterans Business Enterprise, place a check in the "Yes" box and enter your service code on the line. If you are not certified to one or both, place a check in the "No" box.

STATE OF CALIFORNIA-DEPARTMENT OF FINANCE

**PAYEE DATA RECORD**

(Required when receiving payment from the State of California in lieu of IRS W-9)

STD. 204 (Rev. 6-2003)

<b>1</b>	<b>INSTRUCTIONS:</b> Complete all information on this form. Sign, date, and return to the State agency (department/office) address shown at the bottom of this page. Prompt return of this <b>fully completed</b> form will prevent delays when processing payments. Information provided in this form will be used by State agencies to prepare Information Returns (1099). See reverse side for more information and Privacy Statement. <b>NOTE:</b> Governmental entities, federal, State, and local (including school districts), are not required to submit this form.		
<b>2</b>	<b>PAYEE'S LEGAL BUSINESS NAME</b> (Type or Print) <hr/> <div style="display: flex; justify-content: space-between;"> <div style="width: 60%;"> <b>SOLE PROPRIETOR – ENTER NAME AS SHOWN ON SSN</b> (Last, First, M.I.)  <hr/> <b>MAILING ADDRESS</b>  <hr/> <b>CITY, STATE, ZIP CODE</b>  <hr/> </div> <div style="width: 35%;"> <b>E-MAIL ADDRESS</b>  <hr/> <b>BUSINESS ADDRESS</b>  <hr/> <b>CITY, STATE, ZIP CODE</b>  <hr/> </div> </div>		
<b>3</b>	<b>PAYEE ENTITY TYPE</b>  <b>CHECK ONE BOX ONLY</b>	<b>ENTER FEDERAL EMPLOYER IDENTIFICATION NUMBER (FEIN):</b> <span style="border: 1px solid black; padding: 2px 5px;">  </span> <span style="border: 1px solid black; padding: 2px 5px;">  </span> - <span style="border: 1px solid black; padding: 2px 5px;">  </span> <span style="border: 1px solid black; padding: 2px 5px;">  </span> <span style="border: 1px solid black; padding: 2px 5px;">  </span> <span style="border: 1px solid black; padding: 2px 5px;">  </span> <span style="border: 1px solid black; padding: 2px 5px;">  </span> <span style="border: 1px solid black; padding: 2px 5px;">  </span> <span style="border: 1px solid black; padding: 2px 5px;">  </span>	
	<input type="checkbox"/> <b>PARTNERSHIP</b> <b>CORPORATION:</b> <input type="checkbox"/> <b>ESTATE OR TRUST</b> <input type="checkbox"/> <b>MEDICAL</b> (e.g., dentistry, psychotherapy, chiropractic, etc.) <input type="checkbox"/> <b>LEGAL</b> (e.g., attorney services) <input type="checkbox"/> <b>EXEMPT</b> (nonprofit) <input type="checkbox"/> <b>ALL OTHERS</b>		<b>NOTE:</b> Payment will not be processed without an accompanying taxpayer I.D. number
	<input type="checkbox"/> <b>INDIVIDUAL OR SOLE PROPRIETOR</b> <b>ENTER SOCIAL SECURITY NUMBER:</b> <span style="border: 1px solid black; padding: 2px 5px;">  </span> <span style="border: 1px solid black; padding: 2px 5px;">  </span> - <span style="border: 1px solid black; padding: 2px 5px;">  </span> <span style="border: 1px solid black; padding: 2px 5px;">  </span> - <span style="border: 1px solid black; padding: 2px 5px;">  </span> <span style="border: 1px solid black; padding: 2px 5px;">  </span> <span style="border: 1px solid black; padding: 2px 5px;">  </span> <span style="border: 1px solid black; padding: 2px 5px;">  </span> <span style="border: 1px solid black; padding: 2px 5px;">  </span> <span style="border: 1px solid black; padding: 2px 5px;">  </span>		
<b>4</b>	<b>PAYEE RESIDENCY STATUS</b>	<input type="checkbox"/> California resident - Qualified to do business in California or maintains a permanent place of business in California. <input type="checkbox"/> California nonresident (see reverse side) - Payments to nonresidents for services may be subject to State income tax withholding. <div style="margin-left: 150px;"> <input type="checkbox"/> No services performed in California.  <input type="checkbox"/> Copy of Franchise Tax Board waiver of State withholding attached.         </div>	
<b>5</b>	<b>I hereby certify under penalty of perjury that the information provided on this document is true and correct.</b> <b>Should my residency status change, I will promptly notify the State agency below.</b>		
	<b>AUTHORIZED PAYEE REPRESENTATIVE'S NAME</b> (Type or Print)		<b>TITLE</b>
	<b>SIGNATURE</b>	<b>DATE</b>	<b>TELEPHONE</b> (    )
<b>6</b>	<b>Please return completed form to:</b> <b>Department/Office:</b> Prison Industry Authority <b>Unit/Section:</b> Business and Support Services <b>Mailing Address:</b> 560 East Natoma Street <b>City/State/Zip:</b> Folsom, CA 95630 <b>Telephone:</b> <b>Fax:</b> (916) 358-1811 <b>E-mail Address:</b>		

**PAYEE DATA RECORD**

STD. 204 (Rev. 6-2003) (PAGE 2)

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

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

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

<i>Company/Vendor Name (Printed)</i>	<i>Federal ID Number</i>
<i>Printed Name and Title of Person Initialing (for Options 1 or 2)</i>	

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

**OR**

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

**OR**

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

**CERTIFICATION For # 3.**

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

<i>By (Authorized Signature)</i>	
<i>Printed Name and Title of Person Signing</i>	
<i>Date Executed</i>	<i>Executed in the County and State of</i>



May 4, 2009

**ADDENDA 1**  
**RFQ #42970899**

**Logistics Software Application**

**NOTICE TO PROSPECTIVE RESPONDENTS:**

The Prison Industry Authority modifies the Request for Quote (RFQ) #42970899 and encourages all potential respondents to pay particular attention to the following changes:

References to the contact person and response submission contact person is changed from Shelia Howell to Kristi Johnson.

All questions regarding this RFQ and response submittals has been changed to:

Kristi Johnson  
CALPIA – Business Services Section  
560 E. Natoma Street  
Folsom, CA 95630

Phone: (916) 358-2706  
Email: kristijohnson@pia.ca.gov

All other requirements and information remains the same. If you have any questions concerning this RFQ, please contact me at (916) 358-2706.

Sincerely,

KRISTI JOHNSON  
Contracts Analyst  
Business and Support Services

## Question and Answers for Bid #RFQ42970899 - Logistics Software Application

### OVERALL BID QUESTIONS

There are no questions associated with this bid. If you would like to submit a question, please click on the "Create New Question" button below.