



CDSS

WILL LIGHTBOURNE  
DIRECTOR

STATE OF CALIFORNIA—HEALTH AND HUMAN SERVICES AGENCY  
**DEPARTMENT OF SOCIAL SERVICES**  
744 P Street • Sacramento, CA 95814 • [www.cdss.ca.gov](http://www.cdss.ca.gov)



EDMUND G. BROWN JR.  
GOVERNOR

July 30, 2013

**INDIVIDUAL CREDIT REPORTS  
INVITATION FOR BID (IFB) 13-19  
Notice to Prospective Bidders**

The California Department of Social Services (CDSS) invites you to review and respond to this Invitation for Bid (IFB), entitled IFB 13-19, Individual Credit Reports. In submitting your bid, you must comply with the instructions found herein.

Note that all agreements entered into with the State of California will include by reference General Terms and Conditions (GTC 610) and Contractor Certification Clauses (CCC 307) that may be viewed and downloaded at Internet site <http://www.ols.dgs.ca.gov/standard+language>. If you do not have Internet access, a copy can be provided by contacting the person listed below.

Public Contract code Section 10115 et seq. establishes a contract participation goal of at least three percent (3%) for Disabled Veteran Enterprise (DVBE). This goal applies to state agency's overall contracting program. State agencies have the discretion to apply the DVBE participation goal to individual contracts. **THE DEPARTMENT ELECTS TO WAIVE THE DVBE PROGRAM REQUIREMENTS IN THIS SOLICITATION, BUT OPTS TO INCLUDE THE DVBE INCENTIVE.**

The IFB due date is **August 19, 2013, 2:30 p.m.** Responses to this IFB and any required copies must be submitted by mail, or personal delivery, to the department contact noted below:

California Department of Social Services  
Contracts Bureau  
744 P Street, M.S. 8-14-747  
Sacramento, CA 95814  
Attention: Marsha Fins, Contracts Analyst  
Telephone: (916) 657-3516  
Fax: (916) 657-2362

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

Sincerely,

Shelley Galvin, Manager  
Contracts Bureau

Enclosure

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## A. Purpose and Description of Services

Contractor to provide credit reports on all individuals who are applicants and/or licensees of community care facilities, residential care facilities for the elderly, residential care facilities for the chronically ill, and child day care facilities throughout the State with the Community Care Licensing Division (CCLD) to the designated users at seventeen (17) state office locations and to provide services to any additional users that might be established during the term of this Agreement and in accordance with the attached **Exhibit 2**, Sample Contract, Exhibit A, Scope of Work.

Contractor agrees to provide address update reports on any consumer to these same designated users as permitted by Section 608 of the Fair Credit Reporting Act.

## B. Bid Requirements and Information

### 1. Key Action Dates

| <u>Event</u>                               | <u>Date</u> | <u>Time</u> |
|--|-------------|-------------|
| IFB Available to Prospective Bidders       | 7/30/13     |             |
| Written Questions Regarding IFB are Due by | 8/13/13     | 5:00 p.m.   |
| Written Responses to IFB are Due by        | 8/15/13     | 5:00 p.m.   |
| Final Date for Bid Submission              | 8/19/13     | 2:30 p.m.   |
| Bid Opening                                | 8/19/13     | 2:35 p.m.   |
| Notice of Intent to Award                  | 8/28/13     |             |
| Proposed Start Date of Agreement           | 11/1/13     |             |

### 2. Contract Term

The anticipated term of the resulting Agreement is November 1, 2013 through October 31, 2015 (24 months), with an option to amend to extend the term for one 12-month period, at the same rate of pay, based on satisfactory performance and execution of the contract amendment. The date of contract approval by the State, however, shall be the governing factor as to the date of commencement.

### 3. Submission of Bid

- a. All bids must be submitted under sealed cover and received by CDSS by the date and time shown on page 3, Section B, Bid Requirements and Information, paragraph 1, Key Action Dates. The sealed cover must be plainly marked with the IFB number and title, your firm's name and address, and must be marked with "**DO NOT OPEN, DUE August 19, 2013, 2:30 p.m.**", as shown in the following example:

Marsha Fins  
California Department of Social Services  
Contracts Bureau  
744 P Street, M.S. 8-14-747  
Sacramento, CA 95814

**IFB 13-19 – INDIVIDUAL CREDIT REPORTS  
DO NOT OPEN  
DUE August 19, 2013, 2:30 p.m.**

Bids not submitted under sealed cover may be rejected.

- b. Bidders may contact ONLY the *individual identified above* and shall not contact other CDSS personnel for meetings, conferences or technical discussion related to this IFB. No questions may be answered by other CDSS staff. If bidders are discovered to have contacted other CDSS personnel, CDSS may reject their proposal.
- c. A postmark will not be accepted as meeting the delivery time if the bid is received by the Contracts Bureau after the bid submission deadline. It is the bidder's responsibility to ensure timely delivery of the bid. Any bid not meeting this requirement will be rejected.

**Proposer Warning for Deliveries:** CDSS' internal processing of U.S. mail may add up to 48 hours to the delivery time. If you choose hand delivery, allow sufficient time to locate parking and for visitor security procedures. You will need to provide the security personnel with the name and telephone number of the person to whom the package is to be delivered. Security personnel will not accept delivery. Security will only notify the appropriate staff to accept delivery.

- d. Bid Opening: All bid packages properly received according to the IFB instructions on or before the bid due date will be publicly opened and read at 2:35 p.m. on **August 19, 2013**, at the following address:

California Department of Social Services  
744 P Street, MS 8-14-747  
Sacramento, CA 95814  
(Call by 3:00 p.m. on August 18, 2013 to confirm personal delivery)  
(916) 657-3516

- e. All bids shall include documents identified in the **Attachment 1, Required Attachment Checklist**. Bids not including the proper "required attachments" shall be deemed non-responsive. A non-responsive bid is one that does not meet the basic bid requirements.
- f. All documents requiring a signature must bear an original signature of a person authorized to bind the bidding firm.
- g. Mail or deliver bids to the following address:

Marsha Fins  
California Department of Social Services  
Contracts Bureau  
744 P Street, MS 8-14-747  
Sacramento, CA 95814

- h. Bids must be submitted for the performance of all the services described herein. Any deviation from the work specifications will not be considered and will cause a bid to be rejected.

- 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. CDSS may reject any or all bids and may waive an immaterial deviation in a bid. The CDSS' waiver of an immaterial deviation shall in no way modify the IFB document or excuse the bidder from full compliance with all requirements if awarded the agreement.
- j. Costs incurred for developing bids and in anticipation of award of the agreement are entirely the responsibility of the bidder and shall not be charged to the State of California.
- k. An individual who is authorized to bind the bidder contractually shall sign **Attachment 2**, Bid/Bidder Certification Sheet. The signature should indicate the title or position that the individual holds in the firm. An unsigned bid may be rejected.
- l. A bidder may modify a bid after its submission by withdrawing its original bid and resubmitting a new bid prior to the bid submission deadline. Bidder modifications offered in any other manner, oral or written, will not be considered.
- m. A bidder may withdraw its bid by submitting a written withdrawal request to CDSS, signed by the bidder or an authorized agent. A bidder may thereafter submit a new bid prior to the bid submission deadline. Bids may not be withdrawn without cause subsequent to bid submission deadline.
- n. CDSS may modify the IFB prior to the date fixed for submission of bids by the issuance of an addendum to all parties who received a bid package.
- o. CDSS reserves the right to reject all bids. CDSS is not required to award an agreement.
- p. Before submitting a response to this solicitation, bidders should review, correct all errors and confirm compliance with the IFB requirements.
- q. The State does not accept alternate contract language from a prospective contractor. A bid with such language will be considered a counter proposal and will be rejected. The State's General Terms and Conditions (GTC) are not negotiable.
- r. No oral understanding or agreement shall be binding on either party.

#### 4. Bidder Questions

Bidders are encouraged to submit written questions about this IFB to CDSS no later than **August 13, 2013 by 5:00 p.m.** All questions should be posted on the eProcurement website: <http://www.eprocure.dgs.ca.gov/default.htm>. Additionally, all questions and responses will be posted on the eProcurement website and open to all for viewing no later than **August 15, 2013 by 5:00 p.m.**

#### 5. Insurance Requirements

Within five days of the award of the agreement or before work under the contract begins, Contractor shall furnish to the State of California, Department of Social Services, at his/her own expense, a certificate of insurance, see **Exhibit 2, Sample Agreement, Exhibit E – Additional Provisions** for a complete list of insurance requirements. Contractor shall maintain the following insurance coverage:

- a. Commercial General Liability – Contractor shall maintain general liability on an occurrence form with limits not less than \$1,000,000 per occurrence for bodily injury and property damage liability combined with a \$2,000,000 annual policy aggregate. The policy shall include coverage for liabilities arising out of premises, operations, independent contractors, products, completed operations, personal and advertising injury, and liability assumed under an insured contract. This insurance shall apply separately to each insured against whom claim is made or suit is brought subject to the Contractor's limit of liability.

**The policy must include California Department of Social Services, State of California, its officers, agents, employees and servants as additional insureds, but only with respect to work performed under the contract.**

This endorsement must be supplied under form acceptable to the Office of Risk and Insurance Management.

- b. Automobile Liability – Contractor shall maintain motor vehicle liability with limits not less than \$1,000,000 combined single limit per accident. Such insurance shall cover liability arising out of a motor vehicle including owned, hired and non-owned motor vehicles.

**The policy must be endorsed to include the State of California, its officers, agents, employees and servants as additional insured, but only with respect to work performed under the contract. The additional insured endorsement is to be provided with the certificate of insurance.**

- c. Workers Compensation and Employers Liability – Contractor shall maintain statutory worker's compensation and employer's liability coverage for all its employees who will be engaged in the performance of the Contract. Employer's liability limits of \$1,000,000 are required.

**When work is performed on State owned or controlled property the Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the State. The waiver of subrogation endorsement is to be provided with the certificate of insurance.**

- d. Professional Liability – Contractor shall maintain professional liability covering any damages caused by a negligent error, act or omission with limits of not less than \$1,000,000 per occurrence and \$3,000,000 policy aggregate. The policy's retroactive date must be shown on the certificate of insurance and must be before the date this contract was executed or before the beginning of contract work.
- e. Certificates evidencing Contractor's insurance coverage shall be filed with CDSS prior to execution of this Agreement.
- f. Certificates evidencing Contractor's insurance coverage shall be filed with CDSS prior to execution of this Agreement. Contractor shall submit the Certificate(s) of Insurance to the State at the address below:

California Department of Social Services  
Marsha Fins  
Contracts Bureau  
744 P Street, MS 8-14-747

Sacramento, CA 95814

To expedite, fax certificate to the individual indicated above at (916) 657-2362, or e-mail to [marsha.fins@dss.ca.gov](mailto:marsha.fins@dss.ca.gov).

g. General Provisions Applying to All Insurance Policies

1. Coverage Term – Coverage needs to be in force for the complete term of the contract. If insurance expires during the term of the contract, a new certificate must be received by the State at least ten (10) days prior to the expiration of this insurance. Any new insurance must still comply with the original terms of the contract.
2. Policy Cancellation/Termination & Notice of Non-Renewal – Contractor shall provide to the State within five business days a copy of any notice of Cancellation/Termination or Non-renewal received by contractor for any of the required insurance policies. In the event Contractor fails to keep in effect at all times the specified insurance coverage, the State may, in addition to any other remedies it may have, terminate this Contract upon the occurrence of such event, subject to the provisions of this Contract.
3. Deductible – Contractor is responsible for any deductible or self-insured retention contained within their insurance program.
4. Primary Clause – Any required insurance contained in this contract shall be primary, and not excess or contributory, to any other insurance carried by the State.
5. Insurance Carrier Required Rating – All insurance companies must carry a rating acceptable to the Office of Risk and Insurance Management. If the Contractor is self-insured for a portion or all of its insurance, review of financial information including a letter of credit may be required.
6. Endorsements – Any required endorsements requested by the State must be physically attached to all requested certificates of insurance and not substituted by referring to such coverage on the certificate of insurance.
7. Inadequate Insurance – Inadequate or lack of insurance does not negate the contractor's obligations under the contract.

**6. Evaluation and Selection**

- a. At the time of bid opening, each bid will be checked for the presence or absence of required information in conformance with the submission requirements of this IFB.
- b. The CDSS will evaluate each bid to determine its responsiveness to the State needs.
- c. Bids that contain false or misleading statements, or (if applicable) which provide references, which do not support an attribute or condition claimed by the bidder, may be rejected.
- d. The final selection will be made on the basis of the lowest responsive responsible bidder as indicated in the total (sum A, B, C, & D) of **Attachment 3**, Cost Sheet.

Please note that bidder must offer all services requested on the Cost Sheet in order to be responsive to the IFB requirements.

- e. Award if made, will be to the lowest responsive responsible bidder. The small business preference shall be applied in accordance with Section 10 of this IFB.
- f. The winning bidder may be required to submit evidence that they have available sufficient resources to meet the requirements of this IFB.

## 7. Award and Protest

- a. Whenever an agreement is awarded under a procedure which provides for competitive bidding, but the agreement is not to be awarded to the low bidder, the low bidder shall be notified by telegram, electronic facsimile transmission, overnight courier, internet transmission, or personal delivery five working days prior to the award of the agreement.
- b. Upon written request by any bidder, notice of the proposed award shall be posted in the lobby of the California Department of Social Services, 744 P Street, Sacramento, California, at least five (5) working days prior to awarding the agreement.
- c. If any bidder, prior to the award of agreement, files a written protest with the Department of General Services, Office of Legal Services, 707 Third Street, 7<sup>th</sup> Floor, Suite 7-330, West Sacramento, CA 95605 and the CDSS on the grounds that the (protesting) bidder is the lowest responsive, responsible bidder, the agreement shall not be awarded until either the protest has been withdrawn or the Department of General Services has decided the matter.
- d. Within five (5) calendar days after filing the initial protest, the protesting bidder shall file with the Department of General Services and the CDSS a detailed written statement specifying the grounds for the protest. The written protest must be sent to the Department of General Services, Office of Legal Services, 707 Third Street, 7<sup>th</sup> Floor, Suite 7-330, West Sacramento, CA 95605. A copy of the detailed written statement should be mailed to the attention of the Chief, Contracts Bureau, at CDSS, 744 P Street, MS 8-14-747, Sacramento, CA 95814. It is suggested that you submit any protest by certified or registered mail.
- e. Upon resolution of the protest and award of the agreement, contractor must complete and submit to CDSS the Payee Data Record (STD. 204), to determine if the contractor is subject to state income tax withholding pursuant to California Revenue and Taxation Code Sections 18662 and 26131. This form can be found on the Internet at [www.osp.dgs.ca.gov](http://www.osp.dgs.ca.gov) under the heading FORMS MANAGEMENT CENTER. No payment shall be made unless a completed STD. 204 has been returned to CDSS.
- f. Upon resolution of the protest and award of the agreement, contractor must sign and submit to CDSS, *page one* of the Contractor Certification Clauses (CCC) which can be found on the Internet at [www.ols.dgs.ca.gov/Standard+Language](http://www.ols.dgs.ca.gov/Standard+Language).



## 8. Disposition of Bids

- a. Upon bid opening, all documents submitted in response to this IFB will become the property of the State of California, and will be regarded as public records under the California Public Records Act (Government Code Section 6250 et seq.) and subject to review by the public.
- b. Bid packages may be returned only at the bidder's expense, unless such expense is waived by CDSS.

## 9. Agreement Execution and Performance

- a. Performance shall start not later than five (5) days, or on the express date set by the CDSS and the Contractor, after all approvals have been obtained and the agreement is fully executed. Should the contractor fail to commence work at the agreed upon time, the CDSS, upon five days written notice to the Contractor, reserves the right to terminate the agreement. In addition, the Contractor shall be liable to the State for the difference between the Contractor's bid price and the actual cost of performing work by the second lowest bidder or by another contractor.
- b. All performance under the agreement shall be completed on or before the termination date of the agreement.

## 10. Small Business Enterprise (SBE)

- a. Small Business Regulations: The Small Business regulations, located in the California Code of Regulations (Title 2, Division 2, Chapter 3, Subchapter 8, Section 1896 et seq.), concerning the application and calculation of the small business preference, small business certification, responsibilities of small business, department certification, and appeals are revised, effective 9/09/04. The new regulations can be viewed at ([www.pd.dgs.ca.gov/smbus](http://www.pd.dgs.ca.gov/smbus)). For those without Internet access, a copy of the regulations can be obtained by calling the Office of Small Business and DVBE Services at (916) 375-4940.
- b. Non-Small Business Subcontractor Preference: A 5% bid preference is now available to a non-small business claiming 25% California certified small business subcontractor participation.
- c. Small Business Nonprofit Veteran Service Agencies (SB/NVSA): SB/NVSA prime bidders meeting requirements specified in the Military and Veterans Code Section 999.50 et seq. and obtaining a California certification as a small business are eligible for the 5% small business preference.
- d. Attachment with Bid Required if Claiming the Small Business Preference: All bidders must complete and include the Bidder Declaration form GSPD-05-105, **Attachment 5**. If claiming the non-small business subcontractor preference, the form must list all of the California certified small businesses with which you commit to subcontract in an amount of at least twenty-five percent (25%) of the net bid price. All certified small businesses must perform a "commercially useful function" in the performance of the contract as defined in Government Code Section 14837(d)(4).
- e. Small Business Certification: Bidders claiming the small business preference must be certified by California as a small business or must commit to subcontract at least 25% of the net bid price with one or more California certified small businesses.

Completed certification applications and required support documents must be submitted to the Office of Small Business and DVBE Services (OSDS) no later than 5:00 p.m. on the bid due date, and the OSDS must be able to approve the application as submitted. Small business nonprofit veteran service agencies (SB/NVSA) claiming the small business preference must possess certification by California prior to the day and time bids are due. Questions regarding certification should be directed to the OSDS at (916) 375-4940.

#### **11. Disabled Veteran Business Enterprise (DVBE) Participation Program Requirements**

- a. Subject to exceptions in the Government Code and pursuant to regulations, State law requires awarding agencies to have an annual participation goal of three percent for disabled veteran-owned business enterprises.

**The CDSS elects to waive the DVBE Program Requirements in this solicitation, but opts to include the DVBE incentive.**

- b. For more information about the DVBE incentive refer to **Exhibit 1, California DVBE Bid Incentive Instructions (9/3/09)**.
- c. If for this agreement contractor made a commitment to achieve disabled veteran business enterprise (DVBE) participation, then contractor must within 60 days of receiving final payment under this agreement (or within such other time period as may be specified elsewhere in this agreement) certify in a report to the awarding department: (1) the total amount the prime contractor received under the contract; (2) the name and address of the DVBE(s) that participated in the performance of the contract; (3) the amount each DVBE received from the prime contractor; (4) that all payments under the contract have been made to the DVBE(s); and (5) the actual percentage of DVBE participation that was achieved. A person or entity that knowingly provides false information shall be subject to a civil penalty for each violation. (Military & Veterans Code (M&VC) §999.5(d)).
- d. Contractor understands and agrees that should award of this contract be based in part on their commitment to use the Disabled Veteran Business Enterprise (DVBE) subcontractor(s) identified in their bid or offer, per Military and Veterans Code 999.5 (e), a DVBE subcontractor may only be replaced by another DVBE subcontractor and must be approved by the Department of General Services (DGS). Changes to the scope of work that impact the DVBE subcontractor(s) identified in the bid or offer and approved DVBE substitutions will be documented by contract amendment.
- e. Failure of Contractor to seek substitution and adhere to the DVBE participation level identified in the bid or offer may be cause for contract termination, recovery of damages under the rights and remedies due to the State, and penalties as outlined in M&VC § 999.9; Public Contract Code (PCC) § 10115.10, or PCC § 4110 (applies to public works only).

#### **12. Declaration Forms**

**All bidders must complete the Bidder Declaration GSPD-05-105, Attachment 5, and include it with the bid response.** When completing the declaration, bidders must identify all subcontractors proposed for participation in the contract. Bidders awarded a contract

are contractually obligated to use the subcontractors for the corresponding work identified unless the State agrees to a substitution and it is incorporated by amendment to the contract.

Bidders who have been certified by California as a DVBE (or who are bidding rental equipment and have obtained the participation of subcontractors certified by California as a DVBE) must also submit a completed form(s) STD. 843 (Disabled Veteran Business Enterprise Declaration), Attachment 6. All disabled veteran owners and disabled veteran managers of the DVBE(s) must sign the form(s). Should the form not be included with the solicitation, contact the State contracting official or obtain a copy at the following website: [www.documents.dgs.ca.gov/pd/poliproc/STD-843FillPrintFields.pdf](http://www.documents.dgs.ca.gov/pd/poliproc/STD-843FillPrintFields.pdf). The completed form should be included with the bid response.

At the State's option prior to award, bidders may be required to submit additional written clarifying information. Failure to submit the requested written information as specified may be grounds for bid rejection.

### **13. Darfur Contracting Act**

All bidders must address the requirements of the Darfur Contracting Act of 2008 for the reason described in Public Contract Code section 10475. Refer to Attachment 7. Any scrutinized companies are ineligible to, and cannot, bid on or submit a proposal for contract with a State agency for goods or services. A scrutinized company is defined in Public Contract Code section 10476. However, bids may be submitted by scrutinized companies if permission is obtained first from the Department of General Services according to the criteria set forth in Public Contract Code section 10477(b).

### **14. Loss Leader**

It is unlawful for any person engaged in business within this state to sell or use any article or product as a "loss leader" as defined in Section 17030 of the Business and Professions Code.

**REQUIRED ATTACHMENT CHECK LIST**

**Company Name:** \_\_\_\_\_

**REQUIRED ATTACHMENT CHECK LIST**

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

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

| <b><u>Attachment</u></b> | <b><u>Attachment Name/Description</u></b>                                      |
|--------------------------|--|
| _____ Attachment 1       | Required Attachment Check List   |
| _____ Attachment 2       | Bid/Bidder Certification Sheet   |
| _____ Attachment 3       | Cost Sheet   |
| _____ Attachment 4       | Bidder References  |
| _____ Attachment 5       | Bidder Declaration (GSPD-05-105)   |
| _____ Attachment 6       | Disabled Veteran Business Enterprise Declarations (STD 843)<br>(if applicable) |
| _____ Attachment 7       | Darfur Contracting Act   |

BID/BIDDER CERTIFICATION SHEET

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

**Do not return Section C, Bid Requirements and Information (pages 4 through 12) nor the "Sample Agreement" at the end of this IFB.**

- A. Our all-inclusive bid is submitted as detailed in Attachment 3, Cost Sheet.**
- B. All required attachments are included with this certification sheet.
- C. The signature affixed hereon and dated certifies compliance with all the requirements of this bid document. The signature below authorizes the verification of this certification.

**An Unsigned Bid/Bidder Certification Sheet May Be Cause For Rejection**

|   |   |   |
|---|---|---|
| 1. Company Name   | 2. Telephone Number<br>( )              | 2a. Fax Number<br>( )                   |
| 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)   | 8. California Corporation No.           |   |
| 9. Indicate applicable license and/or certification information:  |   |   |
| 10. Bidder's Name (Print)   | 11. Title                               |   |
| 12. <b>Signature</b>  | 13. Date                                |   |
| <p>14. Are you certified with the Department of General Services, Office of Small Business and Disabled Veteran Business Enterprise Services (OSDS) as:</p> <p>a. California Small Business<br/>Yes <input type="checkbox"/> No <input type="checkbox"/><br/>If yes, enter certification number: _____</p> <p>b. Disabled Veteran Business Enterprise Yes <input type="checkbox"/> No <input type="checkbox"/><br/>If yes, enter your service code below: _____</p> <p><b>NOTE:</b> A copy of your Certification is required to be included if either of the above items is checked "Yes".</p> <p>Date application was submitted to OSDS, if an application is pending:</p> |   |   |

**Completion Instructions for Bid/Bidder Certification Sheet**

Complete the numbered items on the Bid/Bidder Certification Sheet by following the instructions below.

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

**COST SHEET**

Bidder must offer all services requested. Please specify the cost per report of each service as follows:

| <u>Type of Report</u>    | <u>On-Line via PC</u>     |
|--------------------------|---------------------------|
| A. Individual            | \$_____ (cost per report) |
| B. Joint                 | \$_____ (cost per report) |
| C. Employment            | \$_____ (cost per report) |
| D. Address Update Report | \$_____ (cost per report) |
| Total (A, B, C & D):     | \$_____                   |

**PLEASE NOTE:**

**IF THERE IS NO CHARGE FOR A REPORT, PLEASE PUT "0" ON THE LINE PROVIDED FOR COST PER REPORT.**

**BIDDER REFERENCES**

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

List below three references for services performed within the last five years, which are similar to the scope of work to be performed in this contract.

**All fields must be completed and verifiable. Include separate references for all subcontractors.**

| <b>REFERENCE 1</b>                    |      |                          |          |
|---------------------------------------|------|--------------------------|----------|
| Name of Firm                          |      |                          |          |
| Street Address                        | City | State                    | Zip Code |
| Contact Person                        |      | Telephone Number         |          |
| Dates of Service                      |      | Value or Cost of Service |          |
| Brief Description of Service Provided |      |                          |          |

| <b>REFERENCE 2</b>                    |      |                          |          |
|---------------------------------------|------|--------------------------|----------|
| Name of Firm                          |      |                          |          |
| Street Address                        | City | State                    | Zip Code |
| Contact Person                        |      | Telephone Number         |          |
| Dates of Service                      |      | Value or Cost of Service |          |
| Brief Description of Service Provided |      |                          |          |

| <b>REFERENCE 3</b>                    |      |                          |          |
|---------------------------------------|------|--------------------------|----------|
| Name of Firm                          |      |                          |          |
| Street Address                        | City | State                    | Zip Code |
| Contact Person                        |      | Telephone Number         |          |
| Dates of Service                      |      | Value or Cost of Service |          |
| Brief Description of Service Provided |      |                          |          |



State of California—Department of General Services, Procurement Division  
GSPD-05-105 (REV 08/09)

Solicitation Number \_\_\_\_\_

## BIDDER DECLARATION

**1. Prime bidder information (Review attached Bidder Declaration Instructions prior to completion of this form):**

- a.** Identify current California certification(s) (**MB, SB, NVSA, DVBE**): \_\_\_\_\_ or **None** \_\_\_\_ (If "None," go to Item #2)
- b.** Will subcontractors be used for this contract? **Yes** \_\_\_\_ **No** \_\_\_\_ (If yes, indicate the distinct element of work your firm will perform in this contract e.g., list the proposed products produced by your firm, state if your firm owns the transportation vehicles that will deliver the products to the State, identify which solicited services your firm will perform, etc.). Use additional sheets, as necessary.
- \_\_\_\_\_
- \_\_\_\_\_

- c.** If you are a California certified DVBE: (1) Are you a broker or agent? **Yes** \_\_\_\_ **No** \_\_\_\_  
(2) If the contract includes equipment rental, does your company own at least 51% of the equipment provided in this contract (quantity and value)? **Yes** \_\_\_\_ **No** \_\_\_\_ **N/A** \_\_\_\_

**2. If no subcontractors will be used, skip to certification below. Otherwise, list all subcontractors for this contract. (Attach additional pages if necessary):**

| Subcontractor Name, Contact Person, Phone Number & Fax Number | Subcontractor Address & Email Address | CA Certification (MB, SB, NVSA, DVBE or None) | Work performed or goods provided for this contract | Corresponding % of bid price | Good Standing? | 51% Rental? |
|---|---------------------------------------|---|--|------------------------------|----------------|-------------|
|   |                                       |   |  |                              |                |             |
|   |                                       |   |  |                              |                |             |
|   |                                       |   |  |                              |                |             |

**CERTIFICATION: By signing the bid response, I certify under penalty of perjury that the information provided is true and correct.**

## BIDDER DECLARATION Instructions

### All prime bidders (the firm submitting the bid) must complete the Bidder Declaration.

**1.a.** Identify all current certifications issued by the State of California. If the prime bidder has no California certification(s), check the line labeled “None” and proceed to Item #2. If the prime bidder possesses one or more of the following certifications, enter the applicable certification(s) on the line:

- Microbusiness (MB)
- Small Business (SB)
- Nonprofit Veteran Service Agency (NVSA)
- Disabled Veteran Business Enterprise (DVBE)

**1.b.** Mark either “Yes” or “No” to identify whether subcontractors will be used for the contract. If the response is “No”, proceed to Item #1.c. If “Yes”, enter on the line the distinct element of work contained in the contract to be performed or the goods to be provided by the prime bidder. Do not include goods or services to be provided by subcontractors.

Bidders certified as MB, SB, NVSA, and/or DVBE must provide a commercially useful function as defined in Military and Veterans Code Section 999 for DVBEs and Government Code Section 14837(d)(4)(A) for small/microbusinesses.

Bids must propose that certified bidders provide a commercially useful function for the resulting contract or the bid will be deemed non-responsive and rejected by the State. For questions regarding the solicitation, contact the procurement official identified in the solicitation.

**Note: A subcontractor is any person, firm, corporation, or organization contracting to perform part of the prime’s contract.**

**1.c.** This item is only to be completed by businesses certified by California as a DVBE.

(1) Declare whether the prime bidder is a broker or agent by marking either “Yes” or “No”. The Military and Veterans Code Section 999.2 (b) defines “broker” or “agent” as a certified DVBE contractor or subcontractor that does not have title, possession, control, and risk of loss of materials, supplies, services, or equipment provided to an awarding department, unless one or more of the disabled veteran owners has at least 51-percent ownership of the quantity and value of the materials, supplies, services, and of each piece of equipment provided under the contract.

(2) If bidding rental equipment, mark either “Yes” or “No” to identify if the prime bidder owns at least 51% of the equipment provided (quantity and value). If **not** bidding rental equipment, mark “N/A” for “not applicable.”

**2.** If no subcontractors are proposed, do not complete the table. Read the certification at the bottom of the form and complete “Page \_\_\_\_ of \_\_\_\_” on the form.

If subcontractors will be used, complete the table listing all subcontractors. If necessary, attach additional pages and complete the “Page \_\_\_\_ of \_\_\_\_” accordingly.

### 2. (continued) Column Labels

**Subcontractor Name, Contact Person, Phone Number & Fax Number**—List each element for all subcontractors.

**Subcontractor Address & Email Address**—Enter the address and if available, an Email address.

**CA Certification (MB, SB, NVSA, DVBE or None)**—If the subcontractor possesses a current State of California certification(s), verify on this website ([www.eprocure.pd.dgs.ca.gov](http://www.eprocure.pd.dgs.ca.gov)).

**Work performed or goods provided for this contract**—Identify the distinct element of work contained in the contract to be performed or the goods to be provided by each subcontractor. Certified subcontractors must provide a commercially useful function for the contract. (See paragraph 1.b above for code citations regarding the definition of commercially useful function.) If a certified subcontractor is further subcontracting a greater portion of the work or goods provided for the resulting contract than would be expected by normal industry practices, attach a separate sheet of paper explaining the situation.

**Corresponding % of bid price**—Enter the corresponding percentage of the total bid price for the goods and/or services to be provided by each subcontractor. Do not enter a dollar amount.

**Good Standing?**—Provide a response for each subcontractor listed. Enter either “Yes” or “No” to indicate that the prime bidder has verified that the subcontractor(s) is in good standing for all of the following:

- Possesses valid license(s) for any license(s) or permits required by the solicitation or by law
- If a corporation, the company is qualified to do business in California and designated by the State of California Secretary of State to be in good standing
- Possesses valid State of California certification(s) if claiming MB, SB, NVSA, and/or DVBE status

**51% Rental?**—This pertains to the applicability of rental equipment. Based on the following parameters, enter either “N/A” (not applicable), “Yes” or “No” for each subcontractor listed.

Enter “N/A” if the:

- Subcontractor is NOT a DVBE (regardless of whether or not rental equipment is provided by the subcontractor) or
- Subcontractor is NOT providing rental equipment (regardless of whether or not subcontractor is a DVBE)

Enter “Yes” if the subcontractor is a California certified DVBE providing rental equipment and the subcontractor owns at least 51% of the rental equipment (quantity and value) it will be providing for the contract.

Enter “No” if the subcontractor is a California certified DVBE providing rental equipment but the subcontractor does NOT own at least 51% of the rental equipment (quantity and value) it will be providing.

**Read the certification at the bottom of the page and complete the “Page \_\_\_\_ of \_\_\_\_” accordingly.**

STATE OF CALIFORNIA – DEPARTMENT OF GENERAL SERVICES PROCUREMENT DIVISION

**DISABLED VETERAN BUSINESS ENTERPRISE DECLARATIONS**

STD. 843 (Rev. 5/2006)

**Instructions:** The disabled veteran (DV) owner(s) and DV manager(s) of the Disabled Veteran Business Enterprise (DVBE) must complete this declaration when a DVBE contractor or subcontractor will provide materials, supplies, services or equipment [Military and Veterans Code Section 999.2]. Violations are misdemeanors and punishable by imprisonment or fine and violators are liable for civil penalties. All signatures are made under penalty of perjury.

**SECTION 1**

Name of certified DVBE: \_\_\_\_\_ DVBE Ref. Number: \_\_\_\_\_

Description (materials/supplies/services/equipment proposed): \_\_\_\_\_

Solicitation/Contract Number: \_\_\_\_\_ SCPRS Ref. Number: \_\_\_\_\_  
(FOR STATE USE ONLY)

**SECTION 2**

**APPLIES TO ALL DVBEs. Check only one box in Section 2 and provide original signatures.**

I (we) declare that the DVBE is not a broker or agent, as defined in Military and Veterans Code Section 999.2 (b), of materials, supplies, services or equipment listed above. Also, complete Section 3 below if renting equipment.

Pursuant to Military and Veterans Code Section 999.2 (f), I (we) declare that the DVBE is a broker or agent for the principal(s) listed below or on an attached sheet(s). (Pursuant to Military and Veterans Code 999.2 (e), State funds expended for equipment rented from equipment brokers pursuant to contracts awarded under this section shall not be credited toward the 3-percent DVBE participation goal.)

All DV owners and managers of the DVBE (attach additional pages with sufficient signature blocks for each person to sign): \_\_\_\_\_

\_\_\_\_\_  
(Printed Name of DV Owner/Manager) (Signature of DV Owner/ Manager) (Date Signed)

\_\_\_\_\_  
(Printed Name of DV Owner/Manager) (Signature of DV Owner/Manager) (Date Signed)

Firm/Principal for whom the DVBE is acting as a broker or agent: \_\_\_\_\_  
(If more than one firm, list on extra sheets.) (Print or Type Name)

Firm/Principal Phone: \_\_\_\_\_ Address: \_\_\_\_\_

**SECTION 3**

**APPLIES TO ALL DVBEs THAT RENT EQUIPMENT AND DECLARE THE DVBE IS NOT A BROKER.**

Pursuant to Military and Veterans Code Section 999.2 (c), (d) and (g), I am (we are) the DV(s) with at least 51% ownership of the DVBE, or a DV manager(s) of the DVBE. The DVBE maintains certification requirements in accordance with Military and Veterans Code Section 999 et. seq.

The undersigned owner(s) own(s) at least 51% of the quantity and value of each piece of equipment that will be rented for use in the contract identified above. I (we), the DV owners of the equipment, have submitted to the administering agency my (our) personal federal tax return(s) at time of certification and annually thereafter as defined in *Military and Veterans Code 999.2*, subsections (c) and (g). *Failure by the disabled veteran equipment owner(s) to submit their personal federal tax return(s) to the administering agency as defined in Military and Veterans Code 999.2, subsections (c) and (g), will result in the DVBE being deemed an equipment broker.*

Disabled Veteran Owner(s) of the DVBE (attach additional pages with signature blocks for each person to sign):

\_\_\_\_\_  
(Printed Name) (Signature) (Date Signed)

\_\_\_\_\_  
(Address of Owner) (Telephone) (Tax Identification Number of Owner)

Disabled Veteran Manager(s) of the DVBE (attach additional pages with sufficient signature blocks for each person to sign):

\_\_\_\_\_  
(Printed Name of DV Manager) (Signature of DV Manager) (Date Signed)



### DARFUR CONTRACTING ACT

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

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

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

**OR**

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

**OR**

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

**CERTIFICATION FOR # 3.**

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

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

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

**CALIFORNIA DISABLED VETERAN BUSINESS ENTERPRISE (DVBE)  
BID INCENTIVE INSTRUCTIONS**  
(09/03/09)

**Please read the instructions carefully before you begin.**

**AUTHORITY.** The Disabled Veteran Business Enterprise (DVBE) Participation Goal Program for State contracts is established in Public Contract Code (PCC), §10115 et seq., Military and Veterans Code (MVC), §999 et seq., and California Code of Regulations (CCR), Title 2, §1896.60 et seq. **Recent legislation has modified the program significantly in that a bidder may no longer demonstrate compliance with program requirements by performing a “good faith effort” (GFE).**

This solicitation does not include a minimum DVBE participation percentage or goal.

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

| <b>Confirmed DVBE Participation of:</b> | <b>DVBE Incentive:</b> |
|---|------------------------|
| 5% or Over                              | 5%                     |
| 4% to 4.99% inclusive                   | 4%                     |
| 3% to 3.99% inclusive                   | 3%                     |
| 2% to 2.99% inclusive                   | 2%                     |
| 1% to 1.99% inclusive                   | 1%                     |

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

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

**INTRODUCTION.** Bidders must document DVBE participation commitment by completing and submitting a Bidder Declaration, GSPD-05-105, (located elsewhere within the solicitation document). Bids or proposals (hereafter called “bids”) that **fail to submit the required form to confirm the level of DVBE participation will not be eligible to receive the DVBE incentive.**

Information submitted by the intended awardee to claim the DVBE incentive(s) will be verified by the State. If evidence of an alleged violation is found during the verification process, the State shall initiate an investigation, in accordance with the requirements of the PCC §10115, et seq., and MVC §999 et seq., and follow the investigatory procedures required by the 2 CCR §1896.80. Contractors found to be in violation of certain provisions may be subject to loss of certification, penalties and/or contract termination.

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

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

**THE DVBE BUSINESS UTILIZATION PLAN (BUP):** DVBE BUPs are a company's commitment to expend a minimum of 3% of its total statewide contract dollars with DVBEs -- this percentage is based on all of its contracts held in California, not just those with the State. A DVBE BUP does not qualify a firm for a DVBE incentive. Bidders with a BUP, must submit a Bidders Declaration (GSPD-05-105) to confirm the DVBE participation for an element of work on this solicitation in order to claim a DVBE incentive(s).

**THE FOLLOWING MAY BE USED TO LOCATE DVBE SUPPLIERS:**

**Awarding Department:** Contact the department's contracting official named in this solicitation for any DVBE suppliers who may have identified themselves as potential subcontractors, and to obtain suggestions for search criteria to possibly identify DVBE suppliers for the solicitation. You may also contact the department's SB/DVBE Advocate for assistance.

**Other State and Federal Agencies, and Local Organizations:**

**STATE:** Access the list of all certified DVBEs by using the Department of General Services, Procurement Division (DGS-PD), online certified firm database at [www.eprocure.dgs.ca.gov](http://www.eprocure.dgs.ca.gov). To begin your search, click on "SB/DVBE Search." Search by "Keywords" or "United Nations Standard Products and Services Codes (UNSPSC) that apply to the elements of work you want to subcontract to a DVBE. Check for subcontractor ads that may be placed on the California State Contracts Register (CSCR) for this solicitation prior to the closing date. You may access the CSCR at: [www.eprocure.dgs.ca.gov](http://www.eprocure.dgs.ca.gov). For questions regarding the online certified firm database and the CSCR, please call the OSDS at (916) 375-4940 or send an email to: [OSDCHelp@dgs.ca.gov](mailto:OSDCHelp@dgs.ca.gov).

**FEDERAL:** Search the U.S. Small Business Administration's (SBA) Central Contractor Registration (CCR) on-line database at [www.ccr.gov/](http://www.ccr.gov/) to identify potential DVBEs and click on the "Dynamic Small Business Search" button. Search options and information are provided on the CCR Dynamic Small Business Search site. First time users should click on the "help" button for detailed instructions. Remember to verify each firm's status as a California certified DVBE.

**LOCAL:** Contact local DVBE organization to identify DVBEs. For a list of local organizations, go to [www.pd.dgs.ca.gov/smbus](http://www.pd.dgs.ca.gov/smbus) and select: [DVBE Local Contacts](#) (New 02/09) (pdf).

### RESOURCES AND INFORMATION

For questions regarding bid documentation requirements, **contact the contracting official at the awarding department for this solicitation.** For a directory of SB/DVBE Advocates for each department go to:  
<http://www.pd.dgs.ca.gov/smbus/advocate.htm>.

The Department of General Services, Procurement Division (DGS-PD) publishes a list of trade and focus publications to assist bidders in locating DVBEs for a fee. To obtain this list, please go to [www.pd.dgs.ca.gov/smbus](http://www.pd.dgs.ca.gov/smbus) and select:

- [DVBE Trade Paper Listing](#) (New 02/09) (pdf)
- [DVBE Focus Paper Listing](#) (New 02/09) (pdf)

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

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

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**Local Organizations:** Go to [www.pd.dgs.ca.gov/smbus](http://www.pd.dgs.ca.gov/smbus) and select:  
[DVBE Local Contacts](#) (New 02/09) (pdf)

**FOR:**  
List of potential DVBE subcontractors

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**DGS-PD EProcurement**  
Website: [www.eprocure.dgs.ca.gov](http://www.eprocure.dgs.ca.gov)  
Phone: (916)375-2000  
Email: [eprocure@dgs.ca.gov](mailto:eprocure@dgs.ca.gov)

**FOR:**

- SB/DVBE Search
- CSCSR Ads
- Click on Training tab to Access eProcurement Training Modules including: Small Business (SB)/DVBE Search

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**DGS-PD Office of Small Business and DVBE Services (OSDS)**  
707 Third Street, Room 1-400, West Sacramento, CA 95605  
Website: [www.pd.dgs.ca.gov/smbus](http://www.pd.dgs.ca.gov/smbus)  
OSDS Receptionist, 8 am-5 pm: (916) 375-4940  
PD Receptionist, 8 am-5 pm: (800) 559-5529  
Fax: (916) 375-4950  
Email: [osdchelp@dgs.ca.gov](mailto:osdchelp@dgs.ca.gov)

**FOR:**

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

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#### Commercially Useful Function Definition

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

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

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

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

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

**STANDARD AGREEMENT**

STD 213 (Rev 06/03)

**Exhibit 2 - Sample Agreement**

AGREEMENT NUMBER

**IFB 13-19**

REGISTRATION NUMBER

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

STATE AGENCY'S NAME

California Department of Social Services

CONTRACTOR'S NAME

To Be Determined

2. The term of this Agreement is: 11/1/2013 through 10/31/2015

3. The maximum amount of this Agreement is: **\$TBD**  
Contract amount in words

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

Exhibit A – Scope of Work 2 pages

Exhibit B – Budget Detail and Payment Provisions 2 pages

Exhibit C\* – General Terms and Conditions GTC - 610

Check mark one item below as Exhibit D:

- Exhibit - D Special Terms and Conditions (Attached hereto as part of this agreement) 3 pages  
 Exhibit - D\* Special Terms and Conditions \_\_\_\_\_

Exhibit E – Additional Provisions 3 page  
 Attachment 1, CDSS Confidentiality and Security Requirements 8 pages

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

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

**CONTRACTOR**

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

To Be Determined

BY (Authorized Signature)



DATE SIGNED(Do not type)

PRINTED NAME AND TITLE OF PERSON SIGNING

ADDRESS

**STATE OF CALIFORNIA**

AGENCY NAME

California Department of Social Services

BY (Authorized Signature)



DATE SIGNED(Do not type)

PRINTED NAME AND TITLE OF PERSON SIGNING

Deborah Pearce, Chief, Contracts Bureau

ADDRESS

744 P Street, M.S. 8-14-747, Sacramento, CA 95814

**California Department of General  
Services Use Only**

Exempt per:



**EXHIBIT A  
(Standard Agreement)**

**SCOPE OF WORK**

- A. Contractor agrees to provide credit reports and address update reports on individuals to the California Department of Social Services (CDSS), Community Care Licensing Division (CCLD) as described herein and in Exhibit B, Budget Detail and Payment Provisions, Section A.2.
- B. Contractor Responsibilities
1. Contractor agrees to provide CCLD with credit reports and address update on an “as requested” basis.
  2. Contractor agrees to provide the credit reports on individuals who are applicants and/or licensees of community care facilities, residential care facilities for the elderly, residential care facilities for the chronically ill, and child day care facilities throughout the State. Contractor also agrees to provide address update reports on any individual.
  3. Contractor agrees to provide the following types of credit reports:
    - a. Credit reports on applicants for CDSS employment as a peace officer;
    - b. Credit reports from a nationwide database on individuals who are applicants and/or licensees of community care facilities, residential care facilities for the elderly, residential care facilities for the chronically ill, and child day care facilities.
    - c. Joint credit reports;
    - d. Employment credit reports; and
    - e. Address update reports on any individual.
  4. Contractor information on credit reports shall include at least, but not limited to the following information:
    - a. Name of applicant or licensee;
    - b. Complete address;
    - c. Employment summary;
    - d. Social Security Number (SSN);
    - e. Credit summary;
    - f. Summary of recorded judgments, liens and any other public record information;
    - g. Address and telephone number (subscriber code) for all negative information and creditors listed.
  5. Address update reports limit the information to the individual’s name, address, former address and places of employment.

**EXHIBIT A  
(Standard Agreement)**

6. Contractor agrees to respond to requests for credit reports through direct on-line access via IBM compatible Windows based operating systems for accessing individual reports with the same day turnaround through computer terminals and printers.
7. Contractor agrees to:
  - a. Password-protect all access to information for each user at each location;
  - b. Provide training materials and software operating manuals to all service locations to facilitate CCLD's usage and interpretations of these reports; and
  - c. Provide CCLD with a toll-free telephone number to be used in obtaining technical support or clarification on all reports of information as well as answers to invoice questions.
8. Contractor agrees to provide services to the designated users within the 17 State office locations listed below and to provide services to additional users that may need to be added during the term of this Agreement.

|               |                               |
|---------------|-------------------------------|
| Arcata        | Rohnert Park                  |
| Culver City   | Sacramento – Licensing Office |
| Chico         | Sacramento – Audit Section    |
| Fresno        | Sacramento – Legal Office     |
| Goleta        | San Bruno                     |
| Monterey Park | San Diego                     |
| Oakland       | San Jose                      |
| Orange        | Woodland Hills                |
| Riverside     |                               |

C. CCLD Responsibilities

1. CCLD agrees to review, monitor, and approve Contractor's fiscal expenditures to ensure compliance with this Agreement.
2. CCLD agrees to monitor and evaluate Contractor's compliance with the terms of this Agreement and request modification(s) to this Agreement as appropriate.

D. The project representatives during the term of this Agreement will be:

CDSS

Contractor

TBD

TBD

**EXHIBIT B**  
**(Standard Agreement)**

**BUDGET DETAIL AND PAYMENT PROVISIONS**

**A. Invoicing and Payment**

1. The maximum amount payable under this agreement shall not exceed **\$TBD**. Shown below are the amounts that cannot be exceeded for each of the fiscal year(s):

|         |              |
|---------|--------------|
| 2013/14 | <b>\$TBD</b> |
| 2014/15 | <b>\$TBD</b> |
| 2015/16 | <b>\$TBD</b> |

2. For services satisfactorily rendered, and upon receipt and approval of the invoice(s), CDSS agrees to pay the Contractor for said services in accordance with the rates specified.

Pricing Detail

| Type of Report | Per Report<br>On-Line Via PC |
|----------------|------------------------------|
| Credit Report: |                              |
| Individual     |                              |
| Joint          |                              |
| Employment     |                              |
| Address Update |                              |

3. Reimbursement for necessary travel expenses and per diem shall be made from funds within this Agreement and shall be set in accordance with the rates of the California Department of Human Resources for comparable classes. Travel expenses must be itemized and submitted, along with supporting receipts and expense documentation, in a format approved by CDSS. The Program Contract Manager agrees to certify and maintain the documents substantiating travel and per diem for a period of three years after final payment of this Agreement. No travel outside the State of California by Contractor shall be reimbursed unless there is prior written authorization from CDSS.
4. Invoices shall include the Agreement Number **TBD** and Index Code **TBD** and shall be submitted in triplicate not more frequently than monthly in arrears to:

California Department of Social Services  
Division Administrative Support Bureau  
744 P Street, MS **TBD**  
Sacramento, CA 95814  
Attn: **TBD**

The invoice(s) must identify all charges incurred for each CDSS location specified in Exhibit A, Section B.8. The invoice(s) should have a cover sheet that identifies the total charges for each location and indicate the total amount for the month/billing period.

Any invoices submitted without the above referenced information may be returned to the Contractor for further re-processing.

**B. State Budget Contingency Clause**

1. It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be of no further force and effect. In this event, CDSS shall have no liability to

**EXHIBIT B**  
**(Standard Agreement)**

pay any funds whatsoever to Contractor or to furnish any other considerations under this Agreement and Contractor shall not be obligated to perform any provisions of this Agreement.

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

**C. For Contract with Federal Funds**

1. It is mutually understood between the parties that this Agreement may have been written before ascertaining the availability of Congressional appropriation of funds, for the mutual benefit of both parties, in order to avoid program and fiscal delays which would occur if the Agreement were executed after that determination was made.
2. This Agreement is valid and enforceable only if sufficient funds are made available to the State by the United States Government for the term of this Agreement for the purposes of this program. In addition, this Agreement is subject to any additional restrictions, limitations, or conditions enacted by the Congress or any statute enacted by the Congress which may affect the provisions, terms, or funding of this Agreement in any manner.
3. It is mutually agreed that if the Congress does not appropriate sufficient funds for the program, this Agreement shall be amended to reflect any reduction in funds.
4. CDSS has the option to invalidate the Agreement under the 30-day cancellation clause or to amend the Agreement to reflect any reduction of funds.

**D. Prompt Payment Clause**

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

**E. Review**

CDSS reserves the right to review service levels and billing procedures as they impact charges against this Agreement.

**F. Final Billing**

Invoices for services must be received by CDSS within 90 days following each state fiscal year, or 90 days following the end of the contract term, whichever comes first. The final invoice must include the statement "Final Billing."

**G. Nonresident Tax Withholdings**

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 seven percent 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.

**EXHIBIT D  
(Standard Agreement)**

**SPECIAL TERMS AND CONDITIONS**

**A. Dispute Provisions**

1. If the Contractor disputes a decision of the State's designated representative regarding the performance of this Agreement or on other issues for which the representative is authorized by this Agreement to make a binding decision, Contractor shall provide written dispute notice to the State's representative within 15 calendar days after the date of the action. The written dispute notice shall contain the following information:
  - a. the decision under dispute;
  - b. the reason(s) Contractor believes the decision of the State representative to have been in error (if applicable, reference pertinent contract provisions);
  - c. identification of all documents and substance of all oral communication which support Contractor's position; and
  - d. the dollar amount in dispute, if applicable.
2. Upon receipt of the written dispute notice, the State program management will examine the matter and issue a written decision to the Contractor within 15 calendar days. The decision of the representative shall contain the following information:
  - a. a description of the dispute;
  - b. a reference to pertinent contract provisions, if applicable;
  - c. a statement of the factual areas of agreement or disagreement; and
  - d. a statement of the representative's decision with supporting rationale.
3. The decision of the representative shall be final unless, within 30 days from the date of receipt of the representative's decision, Contractor files with the California Department of Social Services a notice of appeal addressed to:

California Department of Social Services  
744 P Street, M.S. 8-14-747  
Sacramento, CA 95814  
Attention: Chief, Contracts Bureau

Pending resolution of any dispute, Contractor shall diligently continue all contract work and comply with all of the representative's orders and directions.

**B. Termination Without Cause**

This Agreement may be terminated without cause by the State upon 30 days written notice to the contractor.

**C. Debarment and Suspension**

For federally funded agreements, **Contractor certifies** that to the best of his/her knowledge and belief that he/she and their principals or affiliates or any sub-contractor utilized under this agreement, are not debarred or suspended from federal financial assistance programs and activities nor proposed for debarment, declared ineligible, or voluntarily excluded from participation in covered transactions by any federal department or agency. The Contractor also certifies that it or any of its sub-contractors are not listed on the Excluded Parties Listing System (<http://www.epls.gov>) (Executive Order 12549, 7 CFR Part 3017, 45 CFR Part 76, and 44 CFR Part 17).

**EXHIBIT D  
(Standard Agreement)**

**D. Certification Regarding Lobbying**

Applicable to Grants, Subgrants, Cooperative Agreements, and Contracts Exceeding \$100,000 in Federal Funds.

1. For Agreements with Contractors who are State entities not under the authority of the Governor, or cities, private firms or agencies which are receiving in excess of \$100,000 in federal funds from CDSS to perform services. By signing this Agreement the Contractor certifies that to the best of his or her knowledge and belief, that:
  - a. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of a Federal contract, the making of a Federal grant, the making of a Federal loan, the entering into of a cooperative agreement, and the extension, continuation, renewal, amendment, or modification of a Federal contract, grant, loan, or cooperative agreement.
  - b. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this Federal Grant or agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions.
  - c. The Contractor shall require that the language of this certification be included in the award documents for all covered subawards exceeding \$100,000 in Federal funds at all appropriate tiers and that all subrecipients shall certify and disclose accordingly.
2. This certification is a prerequisite for making or entering into this transaction and is imposed by Section 1352, Title 31, U. S. Code. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Any person who fails to file the required certification shall be subject to a civil penalty of no less than \$10,000 and not more than \$100,000 for each such failure.

**E. Computer Software Copyrights**

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.

**F. A-133 Audit**

Pursuant to Office of Management and Budget (OMB) Circular A-133 §\_\_\_\_.200 "Audit Requirements", non-federal entities that expend \$500,000 or more in a year in Federal awards from all sources combined shall have a single or program-specific audit conducted for that year in accordance with the provisions of OMB Circular A-133. All OMB Circular A-133 audit reports shall meet the reporting requirements established in OMB §\_\_\_\_.320 "Report Submission" and a copy shall be forwarded to CDSS.

**EXHIBIT D  
(Standard Agreement)**

**G. Subcontractors**

(Applicable to agreements in which the Contractor subcontracts out a portion of the work) Nothing contained in this Agreement or otherwise shall create any contractual relationship between CDSS and any subcontractors, and no subcontractor shall relieve the Contractor of its responsibilities and obligations hereunder. The Contractor agrees to be fully responsible to CDSS for the acts and omissions of its subcontractors and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by the Contractor. The Contractor's obligation to pay its subcontractors is an independent obligation from the obligation of CDSS to make payments to the Contractor. As a result, CDSS shall have no obligation to pay or to enforce the payment of any moneys to any subcontractor.

**H. Indirect Costs/Administrative Overhead**

For agreements with other governmental entities and public universities, indirect costs are expenses incurred for administrative services such as, but not limited to, accounting; personnel and payroll administration; accounts payable services; general and specialized insurance coverage; compliance and regulatory monitoring; independent audit services; and legal services. Indirect costs are applied to personnel, operating expenses, supplies, equipment, and travel expenses. Per State Contracting Manual, Section 3.06.B, agencies shall assure that all administrative fees are reasonable considering the services being provided. Agencies may only pay overhead charges on the first \$25,000 of each subcontract. Any subcontractor receiving \$25,000 or more must be clearly identified in the budget display and excluded when the total indirect costs are calculated.

**EXHIBIT E  
(Standard Agreement)**

**ADDITIONAL PROVISIONS**

A. Confidentiality and Security Requirements

Contractor and its employees agree to comply with CDSS Confidentiality and Security Requirements as described in Exhibit E – Attachment 1.

B. Contract Term

The anticipated term of the resulting Agreement is for two (2) years, with an option to amend to extend the term for one 12-month period, at the same rate of pay, based on satisfactory performance and execution of the contract amendment. The date of contract approval by the State, however, shall be the governing factor as to the date of commencement.

C. Insurance Requirements

1. Contractor, at his/her own expense, shall maintain the following insurance coverage:

- a. Commercial General Liability – Contractor shall maintain general liability on an occurrence form with limits not less than \$1,000,000 per occurrence for bodily injury and property damage liability combined with a \$2,000,000 annual policy aggregate. The policy shall include coverage for liabilities arising out of premises, operations, independent contractors, products, completed operations, personal and advertising injury, and liability assumed under an insured contract. This insurance shall apply separately to each insured against whom claim is made or suit is brought subject to the Contractor's limit of liability.

**The policy must include California Department of Social Services, State of California, its officers, agents, employees and servants as additional insureds, but only with respect to work performed under the contract.**

This endorsement must be supplied under form acceptable to the Office of Risk and Insurance Management. In the case of Contractor's utilization of subcontractors to complete the contracted scope of work, contractor shall include all subcontractors as insureds under Contractor's insurance or supply evidence of insurance to the State equal to policies, coverages and limits required of Contractor.

- b. Automobile Liability – Contractor shall maintain motor vehicle liability with limits not less than \$1,000,000 combined single limit per accident. Such insurance shall cover liability arising out of a motor vehicle including owned, hired and non-owned motor vehicles.

**The policy must be endorsed to include the State of California, its officers, agents, employees and servants as additional insured, but only with respect to work performed under the contract. The additional insured endorsement is to be provided with the certificate of insurance.**

- c. Workers Compensation and Employers Liability – Contractor shall maintain statutory worker's compensation and employer's liability coverage for all its employees who will be engaged in the performance of the Contract. Employer's liability limits of \$1,000,000 are required.

**When work is performed on State owned or controlled property the Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the State. The waiver of subrogation endorsement is to be provided with the certificate of insurance.**



**EXHIBIT E**  
**(Standard Agreement)**

- d. Professional Liability – Contractor shall maintain professional liability covering any damages caused by a negligent error, act or omission with limits of not less than \$1,000,000 per occurrence and \$3,000,000 policy aggregate. The policy's retroactive date must be shown on the certificate of insurance and must be before the date this contract was executed or before the beginning of contract work.
2. Certificates evidencing Contractor's insurance coverage shall be filed with CDSS prior to execution of this Agreement.
- D. General Provisions Applying to All Insurance Policies
1. Coverage Term – Coverage needs to be in force for the complete term of the contract. If insurance expires during the term of the contract, a new certificate must be received by the State at least ten (10) days prior to the expiration of this insurance. Any new insurance must still comply with the original terms of the contract.
  2. Policy Cancellation / Termination & Notice of Non-Renewal – Contractor shall provide to the State within five business days a copy of any notice of Cancellation/Termination or Non-renewal received by contractor for any of the required insurance policies. In the event Contractor fails to keep in effect at all times the specified insurance coverage, the State may, in addition to any other remedies it may have, terminate this Contract upon the occurrence of such event, subject to the provisions of this Contract.
  3. Deductible – Contractor is responsible for any deductible or self-insured retention contained within their insurance program.
  4. Primary Clause – Any required insurance contained in this contract shall be primary, and not excess or contributory, to any other insurance carried by the State.
  5. Insurance Carrier Required Rating – All insurance companies must carry a rating acceptable to the Office of Risk and Insurance Management. If the Contractor is self insured for a portion or all of its insurance, review of financial information including a letter of credit may be required.
  6. Endorsements – Any required endorsements requested by the State must be physically attached to all requested certificates of insurance and not substituted by referring to such coverage on the certificate of insurance.
  7. Inadequate Insurance – Inadequate or lack of insurance does not negate the contractor's obligations under the contract.
- E. Disabled Veteran Business Enterprise Subcontractors
1. If for this agreement contractor made a commitment to achieve disabled veteran business enterprise (DVBE) participation, then contractor must within 60 days of receiving final payment under this agreement (or within such other time period as may be specified elsewhere in this agreement) certify in a report to the awarding department: (1) the total amount the prime contractor received under the contract; (2) the name and address of the DVBE(s) that participated in the performance of the contract; (3) the amount each DVBE received from the prime contractor; (4) that all payments under the contract have been made to the DVBE(s); and (5) the actual percentage of DVBE participation that was achieved. A person or entity that knowingly provides false information shall be subject to a civil penalty for each violation. (Military & Veterans Code (M&VC) §999.5(d)).

**EXHIBIT E**  
**(Standard Agreement)**

2. Contractor understands and agrees that should award of this contract be based in part on their commitment to use the Disabled Veteran Business Enterprise (DVBE) subcontractor(s) identified in their bid or offer, per Military and Veterans Code 999.5 a DVBE subcontractor may only be replaced by another DVBE subcontractor and must be approved by the Department of General Services (DGS). Changes to the scope of work that impact the DVBE subcontractor(s) identified in the bid or offer and approved DVBE substitutions will be documented by contract amendment.
3. Failure of Contractor to seek substitution and adhere to the DVBE participation level identified in the bid or offer may be cause for contract termination, recovery of damages under the rights and remedies due to the State, and penalties as outlined in M&VC § 999.9; Public Contract Code (PCC) § 10115.10, or PCC § 4110 (applies to public works only).

**California Department of Social Services (CDSS)  
Confidentiality and Security Requirements for  
Vendors  
Contracts/Memoranda of Understanding (MOU)/Agreements**

**I. GENERAL REQUIREMENTS**

These requirements provide a framework for maintaining the confidentiality and security of Confidential Data compiled for the CDSS. Definitions of commonly used terms relating to confidentiality and security of data are provided.

In addition to any other contract provisions, contractors shall be responsible for maintaining the confidentiality and security of CDSS confidential and sensitive data. No exceptions from these policies shall be permitted without the explicit, prior, written approval of CDSS. All information security requirements, as stated in this attachment, shall be enforced and implemented immediately upon effective date of this Agreement, and continue throughout the term of the Agreement.

**II. DEFINITIONS**

For the purposes of these requirements, the stated terms are defined as noted:

**Audit Trail:** Systems information identifying source/location of access, date and time, user-identification, targeted service and activity performed. The audit trail shall identify all accesses to the source file, success or failure of the access, the completion status of the access (e.g., failed or successful authentication, or user terminated) and the record and field modified.

**Confidential Data:** Information, the disclosure of which is restricted or prohibited by any provision of law. Some examples of “confidential information” include, but are not limited to, public social services client information described in California Welfare and Institutions Code section 10850, and “personal information” about individuals as defined in California Civil Code section 1798.3 of the Information Practices Act (IPA) if the disclosure of the “personal information” is not otherwise allowed by the IPA. Confidential data include personal identifiers.

**De-Identification:** Removal of personal identifiers. Personal information does not include publicly available information that is lawfully made available to the general public.

**Information Assets:** Information assets include anything used to process or store information, including (but not limited to) records, files, networks, and databases; information technology facilities, equipment (including personal computer systems), and software (owned or leased).

**Information Security Incidents:** Information Security incidents include, but are not limited to, the following; any event (intentional or unintentional) that causes the loss, damage to, destruction, or unauthorized disclosure of CDSS information assets.

**Personal Identifiers:** Are specific personal identifiers such as name, social security number, address, date of birth, driver’s license numbers, and account numbers with access codes.

**Risk:** The likelihood or probability that a loss of information assets or breach of security will occur.

### III. DATA SECURITY

#### A. Access to CDSS Data

1. Request and Re-disclosure: All contractors seeking access to confidential CDSS data files shall request access from CDSS. The contractor shall not re-disclose or re-release CDSS confidential data.
2. Referral for Request: The contractor shall refer any persons not affiliated with the contractor, nor included under this contract with CDSS, to CDSS to request access to the confidential data.

#### B. Data Security Requirements

1. Contractor Responsibility: The contractor and its subcontractors, if any, are responsible for security of the CDSS confidential data.
2. Protection of Data: The contractors and its subcontractor, if any, shall ensure that electronic media that contains confidential or sensitive data is protected.
3. General Requirements: The contractor and its subcontractors, if any, shall:
  - a. Confirm the identity of any individual who has requested confidential or sensitive data.
  - b. When there is a business need to discuss confidential CDSS information within the office, discuss the information in an enclosed room, if possible.
  - c. Not allow dial-up communication or Internet access to confidential data prior to de-identification of the data. Any use of dial-up or Internet access after de-identification of the data shall include, but not be limited to the following protections; (1) auditing usage of dial-up communications and Internet access for security violations, (2) periodically changing dial-up access telephone numbers, and (3) responding to losses, misuse or improper dissemination of information. Refer to Information Security Incidents for notification required in response.
  - d. Not use or store CDSS confidential data on portable or wireless devices. For purposes of this requirement, portable devices include, without limitation, notebook computers, personal digital assistants, and wireless devices including cellular phones with data storage capability.
4. Data Transmission
  - a. General Requirement: The contractor shall ensure the confidentiality of CDSS data transmission.
  - b. Data transferred via tape, optical media, or cartridge: Confidential data that is transferred on tapes, optical media, or cartridges shall be encrypted. The contractor shall place the transferred data in separate files with identifiers and an index on one file. On another file place the index and remaining data. These files shall be transported separately. Additionally, the tapes, optical media and cartridges shall be transferred by bonded mail service (i.e., accountable mail using restricted delivery). All packages must be double packed with a sealed envelope and a sealed outer envelope or locked box.

- c. Data transferred electronically: All File Transport Protocol (FTP) accounts that transfer confidential data with personal identifiers shall be highly restricted in access by the contractor. These accounts shall maintain an audit trail. Their accounts are to be accessible to a limited number of contractor and/or subcontractor staff. No other accounts on contractor's computers may have access to this account. The contractor's and/or subcontractor are to maintain a current listing of the personnel who have access to the FTP account. All CDSS confidential data transferred from contractor machines shall be encrypted. The contractor may not transfer CDSS confidential data via FTP without the approval of CDSS.
- d. Data transferred via paper copy: Paper copies of confidential data shall be mailed using a secure, bonded mail service, such as Federal Express or by registered U.S. Mail (i.e., accountable mail using restricted delivery). All packages must be double packed with a sealed envelope and a sealed outer envelope or locked box.
- e. Data transferred via fax: CDSS confidential data may not be transmitted by fax. CDSS non-confidential information may be transmitted by fax, provided that the contractor confirms the recipient fax number before sending, takes precautions to ensure that the fax was appropriately received, maintains procedures to notify recipients if the contractor's fax number changes, and maintains fax machines in a secure area.

5. Physical Security

The contractor shall provide for the management and control of physical access to information assets (including personal computer systems and computer terminals) used in performance of this contract, the prevention, detection, and suppression of fires, and the prevention, detection, and minimization of water damage. The physical security measures taken shall include, but not be limited to:

- a. Implementing security measures to physically protect data, systems and workstations from unauthorized access and malicious activity.
- b. Logging the identity of persons having access to restricted facilities and the date and time of access.
- c. Restricting the removal of CDSS confidential data from the work location.
- d. Placement of devices used to access CDSS confidential data in areas not open to the public. For purposes of this requirement, "devices" shall include, but not be limited to, dumb terminals, personal computers and printers.

6. Storage

CDSS confidential data shall be stored in a place physically secure from access, use, modification, disclosure, or destruction by an unauthorized person. All media containing confidential information shall be stored in a secured area (a locked room or locked file cabinet). Keys to these locks shall be held by a limited number of contractor organization personnel. Confidential information in electronic format, such as magnetic tapes or discs, shall be stored and processed in such a way that an unauthorized person cannot retrieve the information by computer, remote terminal or other means.

7. Encryption

The contractor shall encrypt CDSS confidential data, whether for transmission or in storage, using non-proprietary, secure generally-available encryption software. Proprietary encryption algorithms shall not be acceptable. Passwords or biometrics templates used for user authentication shall be encrypted using data encryption standard, or better, one-way only encryption. Data encryption shall meet the National Institute of Standards and Technology Advanced Encryption Standard. Data encryption shall equal or exceed 128-bit key encryption. A documented security plan is required for encryption key management.

8. De-Identification of Data

- a. Assignment of Unique Identifier: The contractor shall remove personal identifiers from CDSS confidential data and substitute unique identifiers, within 30 days of receipt of the CDSS confidential data.
- b. No connection before de-identification: CDSS confidential data that includes personal identifiers shall not be used or stored in a device connected to the Internet or to a local area network, or dial-up communication until the personal identifiers have been removed from the data.
- c. Return or destruction of confidential data upon de-identification: CDSS confidential data shall be returned to CDSS upon completion of de-identification or destroyed in accordance with this Agreement, no more than 30 days after completion of de-identification.

**C. Network Security Requirements**

The contractor shall provide the following electronic access measures at a minimum:

1. A notification at initial logon that unauthorized access is prohibited by law.
2. An audit trail.
3. A method for verification of the identity of an individual accessing the system, such as user identification, PIN, fingerprint, voiceprint, retinal print, or other appropriate verification method.
4. A limited access to data to those authorized employees of the contractor who have a functional requirement to use the data.
5. The revoking of access from a user after three unsuccessful access attempts.
6. A security manual or package, which shall adequately protect against loss or unauthorized (accidental or intentional) access, use, disclosure, modification, or destruction of data. All proposed changes to programs, network systems, connectivity and storage of CDSS data shall be provided to CDSS for review prior to implementation.
7. User access authentication shall be disabled (revoked) immediately upon termination of employment or after no more than 60 days of non-use.

8. User verification which is unique to each individual and not assigned to groups or job location. These measures shall include, but not necessarily be limited to, the development of passwords and access controls to protect the security of data from any individual who is not authorized to access the data.
9. An automated log-off or time-out from all networked systems that contain confidential CDSS information when the user leaves the work area for a ten-minute period of time.

**D. Ownership and Destruction of Confidential Data**

1. Ownership and Return or Destruction: All data used, compiled, developed, processed, stored, or created under this contract is the property of CDSS. All such data shall either be returned to CDSS in an agreed upon format within 30 days of termination of the contract or destroyed. If the data is returned, the contractor shall provide CDSS with the media and an inventory of the data and files returned.
2. Methods of Destruction: The contractor shall destroy all confidential data not returned when the use authorized ends in accordance with approved methods of confidential destruction (via shredding, burning, certified or witnessed destruction, or degaussing of magnetic media). All computer sets containing personal identifiers shall be destroyed. The contractor shall use wipe software on all the hard drive surfaces of computers used to process or store CDSS confidential data when the computer is withdrawn from use in processing or storing such data. Destruction shall occur before the effective date of termination of this contract and a letter of confirmation shall be provided to CDSS detailing when, how, and what CDSS data was destroyed.

**E. Contractor Staff**

1. Former Employees: The contractor shall ensure that confidential data are not accessible to former employees of the contractor.
2. Employee Authorization: The contractor shall maintain a record of the access authorization for each individual employee that has access to the confidential data. The contractor's security systems administrator designated pursuant to this Agreement shall maintain an appointment/separation checklist for each employee which documents how access authorization was modified when any employee terminates employment or changes duties.

**F. Information Security Incidents**

1. Notification: The contractor shall notify the CDSS or its designated agent of any actual or attempted information security incidents, as defined above, immediately upon detection. Information security incidents shall be reported by telephone to:

Rayfield Scott  
Information Security Officer  
California Department of Social Services  
744 P Street, M.S. 9-9-70  
Sacramento, CA 95814  
(916) 651-5558 or  
(916) 654-0910

2. Cooperation: The contractor shall cooperate in any investigations of information security incidents.

3. Isolation of system or device: The system or device affected by an information security incident, and containing CDSS confidential data, shall be removed from operation immediately. It shall remain removed from operation until correction and mitigation measures have been applied. The affected system or device, containing CDSS confidential data, shall not be returned to operation until CDSS gives its approval.

#### **G. Confidentiality Statements**

1. Requirement: All staff of the contractor with actual or potential access to CDSS confidential data shall read and sign a Confidentiality Agreement. (See section IV.)
2. Supervisory Review: The supervisor of the employee shall review the signed Confidentiality Agreement with the employee and document this review.
3. Submission: The signed original Confidentiality Agreements shall be submitted to the CDSS Project representative. The contractor shall notify CDSS immediately of the appointment or separation of an employee who has been authorized access to CDSS confidential data.
4. Annual Notification: The contractor shall provide to CDSS, in January of each calendar year, a current list of authorized users and newly signed Confidentiality Agreements for all authorized users.

#### **H. Security Systems Administrator Duties**

1. Designation: The contractor shall designate a single person as the security systems administrator. The name of the individual so designated shall be supplied to CDSS.
2. Access Control: The security systems administrator shall have the ability to change or remove any computer access authorization of an individual having access to the system at any time.
3. Employee Verification: The contractor shall verify that the employee who performs the duties of the security systems administrator is a trusted person who has demonstrated in past jobs a capability to perform in this role. Additionally, these security clearance procedures shall ascertain if the employee who performs the duties of security systems administrator has any past criminal or employment background which would call into question their ability to perform this role successfully.
4. Vulnerability Assessments and Mitigation Validation: The security systems administrator shall assess system security vulnerabilities and validate mitigation actions performed and shall disable all applications, components, and services that are not required for performance of the contract with CDSS. This assessment shall be provided in writing to the contract administrator along with a description of corrective actions.
5. Security Patches and Upgrades: The security systems administrator shall ensure that security patches and upgrades released by the respective manufacturers of the components of the information assets used to process CDSS confidential data are promptly applied to the components. Patches and upgrades downloaded from public networks shall be applied only if digitally signed by the source and only after the security systems analyst has reviewed the integrity of the patch or upgrade.

#### **I. Risk Analysis/Contingency Plans**

1. The contractor shall carry out a risk analysis with sufficient regularity to identify and



assess vulnerabilities associated with all information assets owned, maintained, or used by the contractor that are used to process or store CDSS confidential data, and shall define a cost-effective approach to manage such risks. Specific risks that shall be addressed include, but are not limited to, those associated with accidental and deliberate acts on the part of employees and outsiders; fire, flooding, and electrical disturbances and loss of data communications capabilities. The contractor shall advise the CDSS or its designated agent of any vulnerability that may present a threat to CDSS confidential data and of the specific safeguards used for protecting CDSS confidential data. The contractor shall take the necessary steps to protect CDSS confidential data.

2. Contingency plans shall be established and implemented in order to assure that operations can be back to normal in minimum time after natural or man-made disasters, unintentional accidents, or intentional acts such as sabotage. These plans shall include, but are not limited to, the regular backup of automated files and databases, secure storage, recovery, and restarting planning procedures.

#### **J. Rules of Aggregation**

1. Requirement: "Aggregated," as used in this subsection, refers to a data output report that does not allow identification of an individual. All reports developed by the contractor shall contain CDSS confidential data only in aggregated form. Personal identifiers should be removed, geographic identifiers should be specified only in large areas, and as needed, variables should be recorded in order to protect confidentiality. No disaggregate data identifying individuals shall be released to outside parties or to the public.
2. Pre-Release Edits: The data system of the contractor shall have prerelease edits, which shall not allow the production of data cells that do not comply with the requirements of this section.
3. Minimum Data Cell Size: The minimum data cell size or derivation thereof shall be five participants for any data table released to outside parties or to the public.

#### **K. Security Plans**

1. Submission: When required, the contractor shall submit a written security plan to CDSS prior to receipt of CDSS confidential data. The security plan shall address the methods and processes the contractor will use to meet the security and confidentiality requirements of this Agreement. CDSS will not release CDSS confidential data to the contractor before CDSS approval of the contractor's security plan.
2. Maintenance/Signature: The contractor shall maintain continuous compliance with its approved security plan. The contractor shall secure prior CDSS approval for any changes to its approved security plan. CDSS may require the contractor to amend its security plan as a condition of continued receipt or use of CDSS confidential data. The security plans shall be signed by the contractor and person(s) responsible for the contractor's system administration.

#### IV. CONFIDENTIALITY AGREEMENT

I (please print), \_\_\_\_\_ an employee of

(please print) \_\_\_\_\_ hereby acknowledge that the California Department of Social Services (CDSS) public assistance records and documents are subject to strict confidentiality requirements imposed by State and federal law including California Welfare and Institutions Code sections 10850 California Penal Code section 11167.5, 45 Code of Federal Regulations 205.50, and 1798.24 of the Civil Code relating to research.

I (initial) \_\_\_\_\_ acknowledge that my supervisor, or the data librarian, has reviewed with me the appropriate provisions of both State and federal laws including the penalties for breaches of confidentiality.

I (initial) \_\_\_\_\_ acknowledge that my supervisor or the data librarian has reviewed with me the confidentiality and security policies of the CDSS.

I (initial) \_\_\_\_\_ acknowledge that my supervisor or the data librarian has reviewed with me the policies of confidentiality and security of our organization.

I (initial) \_\_\_\_\_ acknowledge that unauthorized use, dissemination or distribution of CDSS confidential information is a crime.

I (initial) \_\_\_\_\_ hereby agree that I will not use, disseminate or otherwise distribute confidential records or said documents or information either on paper or by electronic means other than in the performance of the specific research I am conducting.

I (initial) \_\_\_\_\_ also agree that unauthorized use, dissemination or distribution is grounds for immediate termination of my organization's Contract/Memorandum of Understanding/Agreements with the CDSS and may subject me to penalties both civil and criminal.

\_\_\_\_\_  
Signed

\_\_\_\_\_  
Date