

COMMONWEALTH OF VIRGINIA
THROUGH
THE DEPARTMENT OF THE TREASURY

REQUEST FOR PROPOSALS # –DM 05-015

for

LIQUIDITY PROVIDER

for the

Virginia Department of the Treasury and various Issuers

JODY M. WAGNER
TREASURER OF VIRGINIA

Tina M. Mizelle, VCO
Procurement Officer

July 7, 2005

REQUEST FOR PROPOSALS
DM 05-015

ISSUE DATE: July 7, 2005

TITLE: **Liquidity Provider**

ISSUING AGENCY: Attn: Tina M. Mizelle VCO, Procurement Officer
Commonwealth of Virginia
Department of the Treasury
P.O. Box 1879
Richmond, Virginia 23218-1879

USING AGENCY: Commonwealth of Virginia Department of the Treasury

Initial Period Of Contract: The engagement, as Liquidity Provider for one or more issues of variable rate bonds issued by participating entities through June 30, 2007, in accordance with the Terms and Conditions herein. The engagement may be extended for up to three additional one-year terms. The Department may select one or more Liquidity Providers, or a primary and secondary Liquidity Provider for the variable rate securities issued by participating entities through June 30, 2007.

Sealed Proposals Will Be Received Until **3:00 p.m. Wednesday , July 20, 2005** for the furnishing of Liquidity Facilities, as described herein. Proposals must be received by this time and date to be accepted.

If Proposals Are Mailed, Mail Directly To Issuing Agency Shown Above, Add One Line To The Top Of The Address As Follows: Proposal for Liquidity Provider, RFP # DM 05-015.

If Proposals Are Hand Delivered, Deliver To: Proposal for Liquidity Provider, RFP # DM 05-115, Commonwealth of Virginia, Department of the Treasury, James Monroe Building - 3rd Floor, 101 North 14th Street, Richmond, Virginia 23219, Attn: Tina M. Mizelle, Procurement Officer.

If Proposals are submitted electronically, E-mail them to Tina Mizelle at: tina.mizelle@trs.virginia.gov .

All Inquiries Shall Be Directed To: Tina Mizelle by phone - (804) 786-4741, by fax - (804) 225-3187 or E-mail – tina.mizelle@trs.virginia.gov. Written (fax or e-mail) inquiries are preferred. **All inquiries shall be made prior to July 15, 2005 in order to allow time for any addendum needed to distributed to all potential offerors.**

In Compliance With This Request For Proposals And To All The Conditions Imposed Therein And Hereby Incorporated By Reference, The Undersigned Offers And Agrees To Serve as Liquidity Provider In Accordance With The Attached Signed Proposal Or As Mutually Agreed Upon By Subsequent Negotiations.

Offeror's Name:	By (Signature in Ink):
Complete Address:	Name (please print) and Title:
	Date:
City/State/Zip:	Federal Identification Number:
Telephone Number:	Facsimile Number:

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SECTION I PURPOSE

The purpose of this Request for Proposals ("RFP") issued by the Commonwealth of Virginia, Department of the Treasury (the "Department"), is to solicit proposals from qualified firms to provide liquidity facilities for one or more series of variable rate securities to be issued by Commonwealth entities whose bonds are supported by appropriations of the Commonwealth of Virginia ("Commonwealth"). The securities, which are expected to be in the form of Variable Rate Demand Bonds (VRDBs), will be issued by various agencies, boards, and authorities of the Commonwealth.

The selected Liquidity Provider must have minimum short-term ratings of A-1/F-1/P-1 and long-term ratings of AA-/AA-/Aa3 by Standard & Poor's Ratings Group (S&P), Fitch Ratings (Fitch) and Moody's Investors Service (Moody's), respectively.

No variable rate bonds have been specifically authorized by the respective issuing authorities, however, an initial issuance of approximately \$50 million is expected, with additional series to follow. For purposes of this proposal, assume an overall issuance amount of between \$50 and \$150 million during the initial engagement term.

It is the policy of the Commonwealth of Virginia to contribute to the establishment, preservation and strengthening of small businesses and businesses owned by women and minorities and to encourage their participation in State procurement activities. The Commonwealth encourages Contractors to provide for the participation of small businesses and businesses owned by women and minorities through partnerships, joint ventures, subcontracts or other contractual opportunities. Submission of a report of past efforts to utilize the goods and services of such businesses and plans for involvement on this contract are required in order to obtain full points as specified in Section V. **See APPENDIX B** for reporting format. By submitting a proposal, Offerors certify that all information provided in response to this RFP is true and accurate. Failure to provide information required by this RFP could result in the rejection of the proposal.

SECTION II BACKGROUND

The Department is undertaking this procurement on behalf of State bond-issuing entities of the Commonwealth, including but not limited to, the Treasury Board, the Commonwealth Transportation Board, the Virginia College Building Authority, the Virginia Public Building Authority, and the Virginia Public School Authority. These entities will each issue under their respective bond documents, which may involve separate underwriting/remarketing arrangements and separate Stand-by Bond Purchase Agreements. It is possible the entities may never authorize the issuance of VRDBs, or may select an alternative Liquidity Provider.

The Department expects to structure the variable rate securities as VRDBs. A Standby Bond Purchase Agreement (“Agreement”), or comparable liquidity facility will be executed in conjunction with each transaction.

Under a separate solicitation, the Commonwealth is soliciting proposals from one or more Underwriter/Remarketing Agent(s).

The Department does not anticipate the use of an interest rate swap agreement at this time. However, if it is later determined to do so, any such transaction will be procured competitively, under a separate solicitation.

The Commonwealth’s general obligation bonds are currently rated AAA/AAA/Aaa by S&P, Fitch and Moody’s respectively. The Commonwealth’s appropriation supported bonds are rated AA+/AA+/Aa1.

SECTION III: STATEMENT OF NEEDS

The firm(s) selected as a result of this RFP will provide liquidity through one or more Agreements for one or more series of VRDBs, or other variable rate securities that may be issued by various Commonwealth boards and authorities. The firm(s) selected will provide the services more fully described in the Agreement related to each series of VRDBs so issued. Your firm's standard form of Agreement is requested as part of this RFP, however specific Agreement terms will be determined at the time of issuance of any series of VRDBs.

Each Issuer will determine whether to enter into an initial 364-day, 3-year, or 5-year commitment period with the Liquidity Provider. At the end of the initial commitment period, the Agreement may be renewed/extended by the Issuer and the Liquidity Provider for one or more additional commitment periods throughout the life of the series of bonds, in accordance with the Agreement.

SECTION IV PROPOSAL PREPARATION AND SUBMISSION REQUIREMENTS

A. GENERAL REQUIREMENTS:

1. RFP Response:

- a. Number of Copies. In order to be considered for selection, Offerors must submit a complete response to this RFP. One (1) electronic proposal OR five (5) copies must be submitted to the Department **no later than 3:00 p.m. Wednesday, July 20, 2005**. Additional copies shall be provided upon request at no charge. No other distribution of the proposal shall be made by the Offeror.

2. Proposal Preparation:

- a. Submission of Materials. An authorized representative of the Offeror shall sign proposals. All information requested should be submitted. Failure to submit all information requested may result in the Commonwealth requiring prompt submission of missing information and/or giving a lowered evaluation of the proposal. The Commonwealth may reject proposals, which are substantially incomplete or lack key information. Mandatory requirements are those required by law or regulation or are such that they cannot be waived and are not subject to negotiation.
- b. Small, Women-Owned, and Minority-Owned Business Reports. All information requested by this RFP on the ownership, utilization and planned involvement of small businesses, women-owned businesses, and minority-owned businesses shall be submitted. If an offeror fails to submit all information requested, the Commonwealth may require prompt submission of missing information after the receipt of the vendor proposals. (See **APPENDIX B**.)
- c. Clarity of Proposals. Proposals should be prepared simply and economically, providing a straightforward, concise description of capabilities to satisfy the requirements of the RFP. Emphasis should be placed on completeness and clarity of content.
- d. Organization of Proposal. Proposals should be organized in the order in which the requirements are presented in the RFP. All pages of the proposal should be numbered. Each paragraph in the proposal should reference the paragraph number of the corresponding section of the RFP. It is also helpful to cite the paragraph number, sub-letter, and repeat the text of the requirement as it appears in the RFP. If a response covers more than one page, the paragraph number and sub-letter should be repeated at the top of the next page. Information, which the Offeror desires to present, that does not fall within any of the requirements of the RFP should be inserted at an appropriate place or be attached at the end of the proposal and designated as additional material. Proposals that are not organized in this manner risk elimination from consideration if the evaluators are unable to find where the RFP requirements are specifically addressed.
- e. Single Volume. Each copy of the proposal should be bound or contained in a single volume where practical. All documentation submitted with the proposal should be contained in that single volume.

- f. Ownership of Materials. Ownership of all data, materials and documentation originated and prepared for the Commonwealth pursuant to the RFP shall belong exclusively to the Commonwealth and are subject to public inspection in accordance with the Virginia Freedom of Information Act. Trade secrets or proprietary information submitted by an Offeror shall not be subject to public disclosure under the Virginia Freedom of Information Act; however, the Offeror shall invoke the protection of Section 2.2-4342F of the *Code of Virginia*, in writing, either before or at the time the data or other material is submitted. The written notice shall specifically identify the data or materials to be protected and state the reasons why protection is necessary. The proprietary or trade secret material submitted shall be identified by some distinct method such as highlighting or underlining and must indicate only the specific words, figures, or paragraphs that constitute trade secret or proprietary information. **THE CLASSIFICATION OF AN ENTIRE PROPOSAL DOCUMENT, LINE ITEM PRICES AND/OR TOTAL PROPOSAL PRICES AS PROPRIETARY OR TRADE SECRETS IS NOT ACCEPTABLE AND MAY RESULT IN THE REJECTION OF THE PROPOSAL.**
3. Oral Presentation: Offerors who submit a proposal in response to this RFP may be required to give an oral presentation of their proposal to a designated committee of the Commonwealth. This provides an opportunity for the Offeror to clarify or elaborate on the proposal. This would be a fact finding and explanation session only and does not include negotiation. The Commonwealth will schedule the time and location of these presentations. Oral presentations are an option of the Commonwealth and may or may not be required.

B. SPECIFIC REQUIREMENTS:

Proposals should be as thorough and detailed as possible so that the evaluation panel may properly evaluate your capabilities to provide the required services. Offerors are required to submit the following items, separated by tabs within the proposal, as a complete proposal:

TAB 1. The complete RFP, the RFP cover sheet and addenda, if any, filled out as required and signed.

TAB 2. General Qualifications:

1. Describe your firm's qualifications and capabilities to meet the requirements of this RFP. Provide your ratings history since 2000.
2. Provide a listing of the municipal variable rate issues (1) within the Commonwealth and (2) for other states or state-level issuers for which your firm has provided liquidity since January 2002. Include in your listing the Issuer, Issue Date, Issue Size, Type of Variable Rate Securities (e.g. VRDBs, Commercial Paper, Auction Rate, etc.), the type of liquidity provided (e.g. Stand-by BPA, Letter of Credit, etc.), Rating, Initial Term of Facility and Issuer Contact.
3. Provide the contact personnel including senior level management who will be responsible for the relationship between your firm and the Department. Identify the primary contact for this engagement.
4. Provide references from 3 clients for similar engagements

TAB 3. Specific plans for providing the proposed services including:

Provide a copy of an example of your firm's standard Stand-by Bond Purchase Agreement. Briefly summarize material terms or conditions that would be required (i) as conditions precedent to the delivery of the Standby Bond Purchase Agreement, or (ii) during the term of the Standby Bond Purchase Agreement. Selection as the

Liquidity Provider under this RFP does not imply acceptance of all the terms and conditions contained in the Agreement provided with your RFP.

Under Virginia law, *neither the Commonwealth or the authorities or issuers under this RFP will waive sovereign immunity*. This means, for example, that neither the Commonwealth nor such authorities or issuers will enter into indemnification obligations (whether or not qualified) or agree to waive their respective rights to a jury trial or agree to mandatory arbitration.

TAB 4. Proposed Price:

1. Complete the Pricing Schedule provided in **Section XI**. Be sure to include (a) your proposed maximum rate, (b) the interest rate or formula to be borne by “Bank Bonds” or Bonds purchased with draws under the Standby Bond Purchase Agreement and the “term” provisions for any such instruments if held by the institution as a “loan” to the issuer, and (c) any penalty or default interest rates. Proposers must also name one or more firms capable of acting as counsel to the provider and a quote of maximum amount of legal fees associated with the Liquidity Facility (both for U.S. and, if applicable, foreign counsel). Also detail any additional out-of-pocket fees or expenses for which reimbursement will be expected from the Commonwealth. **The Commonwealth will not be responsible for paying any fees or expenses that are not disclosed as part of this Pricing Schedule.**
2. The Commonwealth intends to take into account (a) the different trading levels of the Proposers as determined by the Commonwealth and its financial advisor in calculating the net cost of the Liquidity Fee and (b) the length of the term of the liquidity facility. Please provide the bank’s long-term and short-term ratings including outlook, and whether the bank is on “credit watch” or its ratings are otherwise under review.

TAB 6. Small, Women-Owned, and Minority-Owned Business Participation:

The Offeror should submit the following three sets of data for small business, women-owned business minority-owned business: 1) ownership, 2) utilization of small, women-owned and minority-owned businesses for the most recent 12 months, and 3) planned involvement of small businesses, women-owned businesses and minority owned businesses on the current procurement. **Appendix B** contains the format for providing this information.

SECTION V EVALUATION AND AWARD CRITERIA

- A. All proposals received will be reviewed and evaluated by a Selection Committee. The Selection Committee will recommend proposals, which most closely meet the requirements of the RFP. The following will be used in making the selection:
1. Offeror's Qualifications -- This criterion includes the ability of the Offeror to meet the terms of the RFP and the Offeror's experience providing similar services. (Weighted at 35%)
 2. Pricing -- Charges should be broken down as outlined in Section XI, PRICING SCHEDULE. While this area will be weighted heavily, it will not be the primary deciding factor in the selection process. (Weighted at 45%)
 3. Trading Level: The different trading levels of the proposers as determined by the Commonwealth and its financial advisor. (Weighted at 15%)
 4. Participation of Small, Women-Owned, and Minority-Owned Businesses -- Emphasis is on the past, current, and planned utilization of businesses in the three classes identified. (Weighted at 5%)
- B. Award of Contract: Selection shall be made of the Offeror or Offerors deemed to be fully qualified and best suited among those submitting proposals on the basis of the evaluation factors included in the Request For Proposals, including price, if so stated in the Request For Proposals. Negotiations may be conducted with the Offerors so selected. Price shall be considered, but need not be the sole determining factor. After negotiations have been conducted with each Offeror so selected, the Department shall select the Offeror or Offerors that, in its opinion, has made the best proposal, and shall award the Contract accordingly. The Commonwealth may cancel this Request For Proposals or reject proposals at any time prior to an award, and is not required to furnish a statement of the reason why a particular proposal was not deemed to be the most advantageous (Section 2.2-4359D, *Code of Virginia*). Should the Commonwealth determine in writing and in its sole discretion that only one Offeror is fully qualified, or that one Offeror is clearly more highly qualified than the others under consideration, a Contract may be negotiated and awarded to that Offeror. The award document will be a Contract incorporating by reference all the requirements, terms and conditions of the solicitation and the Contractor's proposal as negotiated.

SECTION VI REPORTING AND DELIVERY REQUIREMENTS

The Contractor shall meet the following reporting and delivery requirements, which shall be incorporated into the Liquidity Facility or Final Agreement:

If at any time either (i) the ratings applicable to the debt of the liquidity provider are withdrawn or suspended or fall below such ratings in effect on the date hereof and such decrease, withdrawal or suspension in ratings adversely affects (to a degree deemed by the Commonwealth to be material) the interest rate payable by the issuer on the bonds or (ii) the ratings applicable to short-term debt of the liquidity provider are withdrawn or suspended or fall below “A-1” by S&P, “P-1” by Moody’s or “F-1” by Fitch, the issuer shall have the right to seek a substitute liquidity provider whose short-term debt has higher ratings than the ratings applicable to the short-term debt of the liquidity provider to provide liquidity for all or a portion of the bonds.

SECTION VII: PRE-PROPOSAL CONFERENCE

OPTIONAL PRE-PROPOSAL CONFERENCE: A pre-proposal conference **is not contemplated at this time.**

SECTION VIII GENERAL TERMS AND CONDITIONS

- A. **VENDORS MANUAL:** This solicitation is subject to the provisions of the Commonwealth of Virginia *Vendors Manual* and any changes or revisions thereto, which are hereby incorporated into this Contract in their entirety. The procedure for filing contractual claims is in section 7.19 of the *Vendors Manual*. A copy of the manual is normally available for review at the purchasing office and is accessible on the Internet at www.dgs.virginia.gov/dps under “Manuals.”
- B. **APPLICABLE LAWS AND COURTS:** This solicitation and any resulting Contract shall be governed in all respects by the laws of the Commonwealth of Virginia and any litigation with respect thereto shall be brought in the courts of the Commonwealth. The Contractor shall comply with all applicable federal, state and local laws, rules and regulations. Venue shall be in state or federal court located in Richmond, Virginia.
- C. **ANTI-DISCRIMINATION:** By submitting their proposals, offerors certify to the Commonwealth that they will conform to the provisions of the Federal Civil Rights Act of 1964, as amended, as well as the Virginia Fair Employment Contracting Act of 1975, as amended, where applicable, the Virginians With Disabilities Act, the Americans With Disabilities Act and §2.2-4311 of the *Virginia Public Procurement Act*. If the award is made to a faith-based organization, the organization shall not discriminate against any recipient of goods, services, or disbursements made pursuant to the Contract on the basis of the recipient’s religion, religious belief, refusal to participate in a religious practice, or on the basis of race, age, color, gender or national origin and shall be subject to the same rules as other organizations that contract with public bodies to account for the use of the funds provided; however, if the faith-based organization segregates public funds into separate accounts, only the accounts and programs funded with public funds shall be subject to audit by the public body. (*Code of Virginia* § 2.2-4343.1E).

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

1. During the performance of this Contract, the Contractor agrees as follows:
 - a. The contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, or disabilities, except where religion, sex or national origin is a bona fide

occupational qualification reasonably necessary to the normal operation of the Contractor. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.

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

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

D. ETHICS IN PUBLIC CONTRACTING: By submitting their proposals, offerors certify that their proposals are made without collusion or fraud and that they have not offered or received any kickbacks or inducements from any other offeror, supplier, manufacturer or subcontractor in connection with their proposal, and that they have not conferred on any public employee having official responsibility for this procurement transaction any payment, loan, subscription, advance, deposit of money, services or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value was exchanged.

E. IMMIGRATION REFORM AND CONTROL ACT OF 1986: By submitting their proposals, offerors certify that they do not and will not during the performance of this Contract employ illegal alien workers or otherwise violate the provisions of the federal Immigration Reform and Control Act of 1986.

F. DEBARMENT STATUS: By submitting their proposals, offerors certify that they are not currently debarred by the Commonwealth of Virginia from submitting bids or proposals on contracts by any agency of the Commonwealth of Virginia for the type of goods and/or services covered by this solicitation, nor are they an agent of any person or entity that is currently so debarred.

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

H. MANDATORY USE OF STATE FORMS AND TERMS AND CONDITIONS: Failure to submit a proposal on the official state form provided for that purpose shall be a cause for rejection of the proposal. Modification of or additions to any portion of the general terms and conditions of the solicitation may be cause for rejection of the proposal; however, the Commonwealth reserves the right to decide, on a case-by-case basis, in its sole discretion, whether to reject such a proposal.

I. CLARIFICATION OF TERMS: If any prospective offeror has questions about the specifications or other solicitation documents, the prospective offeror should contact the buyer whose name appears on the face of the solicitation no later than five working days before the due date. Any revisions to the solicitation will be made only by addendum issued by the buyer.

J. PAYMENT:

- 1. To Prime Contractor:

- a. Except as otherwise indicated in this solicitation, or unless otherwise set forth in the Standby Bond Purchase Agreement, invoices shall be submitted by the Contractor directly to the payment address shown on the purchase order/Contract. All invoices shall show the state Contract number and/or purchase order number; social security number (for individual Contractors) or the federal employer identification number (for proprietorships, partnerships, and corporations).

- b. Any payment terms requiring payment in less than 30 days will be regarded as requiring payment 30 days after invoice or delivery, whichever occurs last. This shall not affect offers of discounts for payment in less than 30 days, however.
- c. All goods or services provided under this Contract or purchase order, that are to be paid for with public funds, shall be billed by the Contractor at the Contract price, regardless of which public agency is being billed.
- d. The following shall be deemed to be the date of payment: the date of postmark in all cases where payment is made by mail, or the date of offset when offset proceedings have been instituted as authorized under the Virginia Debt Collection Act.
- e. **Unreasonable Charges.** Under certain emergency procurements and for most time and material purchases, final job costs cannot be accurately determined at the time orders are placed. In such cases, Contractors should be put on notice that final payment in full is contingent on a determination of reasonableness with respect to all invoiced charges. Charges, which appear to be unreasonable, will be researched and challenged, and that portion of the invoice held in abeyance until a settlement can be reached. Upon determining that invoiced charges are not reasonable, the Commonwealth shall promptly notify the Contractor, in writing, as to those charges, which it considers unreasonable, and the basis for the determination. A Contractor may not institute legal action unless a settlement cannot be reached within thirty (30) days of notification. The provisions of this section do not relieve an agency of its prompt payment obligations with respect to those charges that are not in dispute (*Code of Virginia*, § 2.2-4363).

2. To Subcontractors:

- a. A Contractor awarded a Contract under this solicitation is hereby obligated:
 - (1) To pay the subcontractor(s) within seven (7) days of the Contractor's receipt of payment from the Commonwealth for the proportionate share of the payment received for work performed by the subcontractor(s) under the Contract; or
 - (2) To notify the agency and the subcontractor(s), in writing, of the Contractor's intention to withhold payment and the reason.
- b. The Contractor is obligated to pay the subcontractor(s) interest at the rate of one percent per month (unless otherwise provided under the terms of the Contract) on all amounts owed by the Contractor that remain unpaid seven (7) days following receipt of payment from the Commonwealth, except for amounts withheld as stated in (2) above. The date of mailing of any payment by U. S. Mail is deemed to be payment to the addressee. These provisions apply to each sub-tier Contractor performing under the primary Contract. A Contractor's obligation to pay an interest charge to a subcontractor may not be construed to be an obligation of the Commonwealth.

K. **PRECEDENCE OF TERMS:** Paragraphs A-J of these General Terms and Conditions shall apply in all instances. In the event there is a conflict between any of the other General Terms and Conditions and any Special Terms and Conditions in this solicitation, the Special Terms and Conditions shall apply.

L. **QUALIFICATIONS OF OFFERORS:** The Commonwealth may make such reasonable investigations as deemed proper and necessary to determine the ability of the offeror to perform the services/furnish the goods and the offeror shall furnish to the Commonwealth all such information and data for this purpose as may be requested. The Commonwealth reserves the right to inspect offeror's physical facilities prior to award to satisfy questions

regarding the offeror's capabilities. The Commonwealth further reserves the right to reject any proposal if the evidence submitted by, or investigations of, such offeror fails to satisfy the Commonwealth that such offeror is properly qualified to carry out the obligations of the Contract and to provide the services and/or furnish the goods contemplated therein.

- M. TESTING AND INSPECTION: The Commonwealth reserves the right to conduct any test/inspection it may deem advisable to assure goods and services conform to the specifications.
- N. ASSIGNMENT OF CONTRACT: A Contract shall not be assignable by the Contractor in whole or in part without the written consent of the Commonwealth.
- O. CHANGES TO THE CONTRACT: Changes can be made to the Contract in any of the following ways:
 - 1. The parties may agree in writing to modify the scope of the Contract. An increase or decrease in the price of the Contract resulting from such modification shall be agreed to by the parties as a part of their written agreement to modify the scope of the Contract.
 - 2. The Issuing Agency may order changes within the general scope of the Contract at any time by written notice to the Contractor. Changes within the scope of the Contract include, but are not limited to, things such as services to be performed, the method of packing or shipment, and the place of delivery or installation. The Contractor shall comply with the notice upon receipt. The Contractor shall be compensated for any additional costs incurred as the result of such order and shall give the Issuing Agency a credit for any savings. Said compensation shall be determined by one of the following methods:
 - a. By mutual agreement between the parties in writing; or
 - b. By agreeing upon a unit price or using a unit price set forth in the Contract, if the work to be done can be expressed in units, and the Contractor accounts for the number of units of work performed, subject to the Issuing Agency's right to audit the Contractor's records and/or to determine the correct number of units independently; or
 - c. By ordering the Contractor to proceed with the work and keep a record of all costs incurred and savings realized. A markup for overhead and profit may be allowed if provided by the Contract. The same markup shall be used for determining a decrease in price as the result of savings realized. The Contractor shall present the Issuing Agency with all vouchers and records of expenses incurred and savings realized. The Issuing Agency shall have the right to audit the records of the Contractor, as it deems necessary to determine costs or savings. Any claim for an adjustment in price under this provision must be asserted by written notice to the Issuing Agency within thirty (30) days from the date of receipt of the written order from the Issuing Agency. If the parties fail to agree on an amount of adjustment, the question of an increase or decrease in the Contract price or time for performance shall be resolved in accordance with the procedures for resolving disputes provided by the Disputes Clause of this Contract or, if there is none, in accordance with the disputes provisions of the Commonwealth of Virginia *Vendors Manual*. Neither the existence of a claim nor a dispute resolution process, litigation or any other provision of this Contract shall excuse the Contractor from promptly complying with the changes ordered by the Issuing Agency or with the performance of the Contract generally.
- P. DEFAULT: In case of failure to deliver goods or services in accordance with the Contract terms and conditions, the Commonwealth, after due oral or written notice, may procure them from other sources and hold the Contractor responsible for any resulting additional purchase and administrative costs. This remedy shall be in addition to any other remedies that the Commonwealth may have.

- Q. TAXES: Sales to the Commonwealth of Virginia are normally exempt from State sales tax. State sales and use tax certificates of exemption, Form ST-12, will be issued upon request. Deliveries against this Contract shall usually be free of Federal excise tax and transportation taxes. The Commonwealth's excise tax exemption registration numbers is 54-73-0076K.
- R. USE OF BRAND NAMES: Omitted.
- S. TRANSPORTATION AND PACKAGING: Omitted.
- T. INSURANCE: By signing and submitting a proposal under this solicitation, the Offeror certifies that if awarded the Contract, it will have the following insurance coverages at the time the Contract is awarded. For construction Contracts, if any subcontractors are involved, the subcontractor will have workers' compensation insurance in accordance with §§ 2.2-4332 and 65.2-800 et seq. of the *Code of Virginia*. The Offeror further certifies that the Contractor and any subcontractors will maintain these insurance coverages during the entire term of the Contract and that all insurance coverages will be provided by insurance companies authorized to sell insurance in Virginia by the Virginia State Corporation Commission.

INSURANCE COVERAGES AND LIMITS REQUIRED:

1. Worker's Compensation - Statutory requirements and benefits; require that the Commonwealth of Virginia be added as an additional named insured on Contractor's policy.
 2. Employers Liability - \$100,000.
 3. Commercial General Liability - \$500,000 combined single limit. Commercial General Liability is to include Premises/Operations Liability, Products and Completed Operations Coverage, and Independent Contractor's Liability or Owner's and Contractor's Protective Liability. The Commonwealth of Virginia is to be named as an additional named insured with respect to the services being procured. These coverages are to include Products and Completed Operations Coverage.
 4. Automobile Liability - \$500,000 - Combined single limit. (Only used if motor vehicle is to be used in the Contract.)
- U. ANNOUNCEMENT OF AWARD: Upon the award or the announcement of the decision to award a Contract as a result of this solicitation, the Issuing Agency will publicly post such notice on the 3rd floor receptionist area, Department of the Treasury, 101 N. 14th Street, Richmond, Virginia, the DGS/DPS eVA website www.eva.virginia.gov and on the Treasury website at www.trs.virginia.gov for a minimum of 10 days.
- V. DRUG-FREE WORKPLACE: During the performance of this Contract, the Contractor agrees to (i) provide a drug-free workplace for the Contractor's employees; (ii) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the Contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition; (iii) state in all solicitations or advertisements for employees placed by or on behalf of the Contractor that the Contractor maintains a drug-free workplace; and (iv) include the provisions of the foregoing clauses in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

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

- W. **NONDISCRIMINATION OF CONTRACTORS:** A bidder, offeror, or Contractor shall not be discriminated against in the solicitation or award of this Contract because of race, religion, color, sex, national origin, age, or disability or against faith-based organizations. If the award of this Contract is made to a faith-based organization and an individual, who applies for or receives goods, services, or disbursements provided pursuant to this Contract objects to the religious character of the faith-based organization from which the individual receives or would receive the goods, services or disbursements, the public body shall offer the individual, within a reasonable period of time after the date of his objection, access to equivalent goods, services or disbursements from an alternative provider.
- X. **EVA BUSINESS-TO-GOVERNMENT VENDOR REGISTRATION:** The awarded Contractor will be expected to register with the eVA and the Ariba Commerce Services Network Vendor Registration Systems at the following website: www.eva.virginia.gov or by calling the eVA Supplier Help Line at 1-866-289-7367. All Contractors desiring to provide goods and/or services to the Commonwealth shall participate in the eVA Internet e-procurement solution either through the eVA Basic Vendor Registration Service (\$25.00) or eVA Premium Vendor Registration Service (\$200.00), and complete the Ariba Commerce Services Network Registration. Treasury will issue a blanket purchase order to the Contractor annually. The Contractor will reference the purchase order number on each invoice submitted to Treasury. The eVA transaction fee will be billed to the Contractor at the point the blanket purchase order is issued. The maximum eVA transaction fee is 1% of each transaction or a maximum of \$500.00 for each transaction, whichever is less. The blanket purchase order is considered one transaction; therefore, the maximum eVA transaction fee that will be charged to the Contractor will be \$500.00. All Offerors must register in eVA; failure to register will result in the proposal being rejected.

SECTION IX SPECIAL TERMS AND CONDITIONS

- A. **ADVERTISING:** In the event a Contract is awarded for supplies, equipment, or services resulting from this proposal, no indication of such sales or services to the Department will be used in product literature or advertising. The Contractor shall not state in any of the advertising or product literature that the Commonwealth of Virginia or any agency or institution of the Commonwealth has purchased or uses its products or services.
- B. **AUDIT:** The Contractor hereby agrees to retain all books, records, and other documents relative to this Contract, electronically and/or by hard copy, until termination of the contract at which time such books, records, and documents will be transferred to the successor Liquidity Provider or the Department. The agency, its authorized agents, and/or State auditors shall have full access to and the right to examine any of said materials during said period.
- C. **AVAILABILITY OF FUNDS:** It is understood and agreed between the parties herein that the agency shall be bound hereunder only to the extent of the funds available or which may hereafter become available for the purpose of this agreement. (See Section X: Method of Payment.)
- D. **AWARD OF CONTRACT:** Selection shall be made of two or more Offerors deemed to be fully qualified and best suited among those submitting proposals on the basis of the evaluation factors included in the Request for Proposals, including price. Negotiations shall be conducted with the Offerors so selected. Price shall be considered, but need not be the sole determining factor. After negotiations have been conducted with each Offeror so selected, the Department shall select the Offeror that, in its opinion, has made the best proposal, and shall award the Contract to that Offeror. The Commonwealth may cancel this Request for Proposals or reject proposals at any time prior to an award, and is not required to furnish a statement of the reason why a particular proposal was not deemed to be the most advantageous. (Section 2.2-4359D, *Code of Virginia*.) Should the Commonwealth determine in writing and in its sole discretion that only one Offeror is fully qualified, or that one Offeror is clearly more highly qualified than the others under consideration, a Contract may be negotiated and awarded to that Offeror. The award document will be a Contract incorporating by reference all the requirements, terms and conditions of the solicitation and the Contractor's proposal as negotiated.
- E. **BEST AND FINAL OFFER (BAFO):** At the conclusion of negotiations, the offeror(s) may be asked to submit in writing, a best and final offer (BAFO). After the BAFO is submitted, no further negotiations shall be conducted with the offeror(s). The offeror(s) proposal(s) will be rescored to combine and include the information contained in the BAFO. The decision to award will be based on the final evaluation including the BAFO.
- F. **BID ACCEPTANCE PERIOD:** Any bid in response to this solicitation shall be valid for 120 days. At the end of the 120 days the bid may be withdrawn at the written request of the Bidder. If the bid is not withdrawn at that time it remains in effect until an award is made or the solicitation is cancelled.
- G. **CANCELLATION OF CONTRACT:** The issuing Agency reserves the right to cancel and terminate any resulting Contract, in part or in whole, without penalty, upon 90 days written notice to the Contractor. In the event the initial Contract period is for more than 12 months, the resulting Contract may be terminated by either party, without penalty, after the initial 12 months of the Contract period upon 90 days written notice to the other party. Any Contract cancellation notice shall not relieve the Contractor of the obligation to deliver and/or perform on all outstanding orders issued prior to the effective date of cancellation.
- H. **EXTRA CHARGES NOT ALLOWED:** No additional charges will be allowed under the Contract. Any changes to the scope of services that impact prices must be approved in advance by the Department.
- I. **INSURANCE, MONEY AND SECURITIES:** Contractor shall maintain a Broad Form Money and Securities Insurance Policy obtained from an insurance company licensed to conduct crime insurance business in the home state of the Contractor and which has earned an A.M. Best Company, Inc. rating of A or better, as reflected in their most current publication, covering all money and property entrusted to the Contractor by the Commonwealth of Virginia for Loss

Inside the Premises Coverage and for Loss Outside the Premises Coverage, with limits of coverage to be determined by the Contractor and the Department. Certificate of such protection must be presented to the Issuing Agency prior to the start of the service showing name of insurance company, limits and types of coverage, term of coverage, additional insured provision and name and address of licensed insurance agent. The Contractor agrees to maintain such policy until the completion of the Contract and all money and property of the Commonwealth is remitted to the Commonwealth.

- J. **LATE PROPOSALS:** To be considered for selection, proposals must be received by the Department by the due date and time designated on the cover page of this RFP. Proposals received after the due date and time are automatically disqualified and will not be considered. The Department is not responsible for delays in the delivery of mail by the U. S. Postal Service or private couriers. It is the sole responsibility of the Offeror to ensure that its proposal reaches Treasury by the designated due date and time.
- K. **PRIME CONTRACTOR RESPONSIBILITIES:** The Contractor shall be responsible for completely supervising and directing the work under this Contract and all subcontractors that he may utilize, using his best skill and attention. Subcontractors who perform work under this Contract shall be responsible to the prime Contractor. The Contractor agrees that he is as fully responsible for the acts and omissions of his subcontractors and of persons employed by them as he is for the acts and omissions of his own employees.
- L. **SUBCONTRACTS:** No portion of the work shall be subcontracted without prior written consent of the issuing Agency. In the event that the Contractor desires to subcontract some part of the work specified herein, the Contractor shall furnish the Issuing Agency the names, qualifications and experience of their proposed subcontractors. The Contractor shall, however, remain fully liable and responsible for the work to be done by its subcontractor(s) and shall assure compliance with all requirements of the Contract.
- M. **RENEWAL OF CONTRACT:** This engagement may be renewed by the Commonwealth upon written agreement of both parties. The period of engagement will run through June 30, 2007, unless extended for up to three (3) one (1) year terms, in accordance with the Terms and Conditions herein.
- N. **eVA BUSINESS-TO-GOVERNMENT CONTRACTS AND ORDERS:** This Contract will result in eVA purchase order(s) with the 1% transaction fee capped at \$500 per order. The eVA transaction fee will be assessed approximately 30 days after each purchase order is issued. Any adjustments (increases/decreases) will be handled through eVA change orders. Internet electronic procurement solution, website portal www.eva.virginia.gov, streamlines and automates government purchasing activities in the Commonwealth. The portal is the gateway for vendors to conduct business with state agencies and public bodies. Vendors desiring to provide goods and/or services to the Commonwealth shall participate in the eVA Internet e-procurement solution and agree to comply with the following: If this solicitation is for a term Contract, failure to comply with the requirements in a. and b. below will be just cause for the Commonwealth to reject your offer or terminate this contract for default.
 - a. Submit a fully executed American Management Systems, Inc. (AMS) Trading Partner Agreement, a copy of which can be accessed and downloaded from www.eva.virginia.gov. AMS is the Commonwealth's service provider to implement and host the eVA e-procurement solution.
 - b. Provide an electronic catalog (price list) if applicable, or index page catalog for items awarded under a term contract. The format of this electronic catalog shall conform to the eVA Catalog Interchange Format (CIF) Specification that can be accessed and downloaded from www.eva.virginia.gov. Contractors should e-mail Catalog or Index Page information to eva-catalog-manager@dgs.virginia.gov.

SECTION X METHOD OF PAYMENT

The liquidity provider will be paid in accordance with the terms mutually agreed upon.

SECTION XI PRICING SCHEDULE

The completed pricing schedule must be contained within Section IV, Tab 4; of the Offeror’s proposal. Refer to Section IV: PROPOSAL PREPARATION AND SUBMISSION REQUIREMENTS.

**VARIABLE RATE DEMAND BONDS
LIQUIDITY PROVIDER FORM**

1. **Provider:**

2. **Liquidity Fees:**

a. **Commitment Fees:**

Term	\$50 million	\$50 - \$100 million	\$100 - \$150 million
364 Days			
3-Years			
5-Years			
Additional Term(s) of Liquidity Facility (please specify)			

b. **Other:**

Advance on Liquidity Facility (Per Advance)	
Interest Rate on Outstanding Advances	
Upfront Fees (if any)	
Other (such as bank rates or term out rates, please specify)	

3. Identify Firms Proposed as Bank Counsel:

4. Maximum Legal Fees: \$ _____ -

5. Additional Out-of-Pocket Fees and Charges (The Commonwealth will not be responsible for paying any fees and expenses that are not detailed on the bid form):

6. Bank's Ratings:

Agency	Long-Term	Short-Term	Outlook
Fitch			
Moody's			
S&P			

7. Comments:

SECTION XII APPENDICES and DEFINITIONS

APPENDIX A
FORM OF COMMONWEALTH OF VIRGINIA CONTRACT

Appendix A represents the proposed Contract, which the Commonwealth of Virginia would expect the Contractor to sign. Please note any suggestions or additions you would like considered.

COMMONWEALTH OF VIRGINIA
Department of the Treasury
LIQUIDITY PROVIDER
Contract Number DM 05-015

This Contract is entered into this ___ day of ____, 2005 by _____, hereinafter called the "Contractor", and the Commonwealth of Virginia Department of the Treasury, hereinafter called the "Issuing Agency".

WITNESSETH that the Contractor and the Issuing Agency, in consideration of the mutual covenants, promises, and agreements herein contained, agree as follows:

SCOPE OF CONTRACT: The Contractor shall provide the services to the Commonwealth as set forth in the Contract Documents.

PERIOD OF CONTRACT: Through June 30, 2007, **with three (3) successive one-year options to renew the Contract in accordance with the terms and conditions noted in the Contract.**

CONTRACT DOCUMENTS: The Contract Documents shall consist of:

- (1) This signed Contract;
- (2) The following portions of the Request For Proposals dated July 7, 2005:
 - (a) The Statement of Needs
 - (b) The General Terms and Conditions
 - (c) The Special Terms and Conditions, together with any negotiated modifications of those Special Conditions
- (3) The Contractor's proposal dated _____, 2005, and
- (4) The Stand-by Bond Purchase Agreement(s) to be agreed upon

Any contractual claims shall be submitted in accordance with the contractual dispute procedures set forth in Section 7.15 of the Commonwealth of Virginia's *Vendor's Manual*.

IN WITNESS WHEREOF the parties have caused this Contract to be duly executed intending to be bound thereby, and certify they are authorized to sign this Contract for the Contractor or the Commonwealth.

CONTRACTOR

COMMONWEALTH OF VIRGINIA
Department of the Treasury

(Signature)

(Signature)

(Printed Name)

(Printed Name)

(Title)

(Title)

(Date)

(Date)

APPENDIX B

**OFFEROR'S REPORT OF SMALL, WOMEN-OWNED, AND
MINORITY-OWNED BUSINESSES AND DEFINITIONS**

**PARTICIPATION OF SMALL, WOMEN OWNED,
AND MINORITY OWNED BUSINESSES**

1. Participation by Small Businesses:

- a. Offeror certifies that it () is, () is not, a small business concern (including its affiliates) which is independently owned and operated. For the purpose of this procurement, a small business is a concern that is not dominant in the field of operation in which it is contracting and can further qualify under the criteria concerning number of employees, average annual receipts, or other criteria, as prescribed by the United States Small Business Administration.
- b. List small businesses with which the Offeror has contracted or done business and dollar amounts spent with each of these businesses in the most recent 12-month period for which data is available. Offerors are encouraged to provide additional information and expand upon the following format:

PERIOD: From: _____ To: _____

FIRM NAME, ADDRESS, PHONE NO.	CONTACT PERSON	TYPE GOODS/ SERVICES	DOLLAR AMOUNTS	%TOTAL CO. EXPENDITURES FOR GOODS & SERVICES ***

***** WHEN FIGURING THE TOTALS IN THIS COLUMN, THE TOTAL EXPENDITURES FOR ALL THREE CATEGORIES (SMALL, WOMEN AND MINORITY-OWNED BUSINESSES) CAN NOT EXCEED 100%.*****

- c. Describe Offeror's plans to involve small businesses in the performance of this Contract either as part of a joint venture, as a partnership, as subcontractors or as suppliers. Offerors are encouraged to provide additional information and expand upon the following format:

PERIOD: From: _____ To: _____

FIRM NAME, ADDRESS, PHONE NO.	CONTACT PERSON	TYPE GOODS/ SERVICES	DOLLAR AMOUNTS	% OF TOTAL CONTRACT***

***** WHEN FIGURING THE TOTALS IN THIS COLUMN, THE TOTAL EXPENDITURES FOR ALL THREE CATEGORIES (SMALL, WOMEN AND MINORITY-OWNED BUSINESSES) CAN NOT EXCEED 100%.*****

2. Participation by Businesses Owned by Women:

- a. Offeror certifies that it () is, () is not, a women's business enterprise or women owned business. For the purpose of this procurement, a woman owned business is a concern that is at least 51 percent owned by a woman or women who also control and operate it. In this context, "control" means exercising the power to make policy decisions, and "operate" means being actively involved in the day-to-day management.
- b. List businesses owned by women with whom the Offeror has contracted or done business and dollar amounts spent with each of these businesses in the most recent 12-month period for which data is available. Offerors are encouraged to provide additional information and expand upon the following format:

PERIOD: From: _____ To: _____

FIRM NAME, ADDRESS, PHONE NO.	CONTACT PERSON	TYPE GOODS/ SERVICES	DOLLAR AMOUNTS	% TOTAL CO. EXPENDITURES FOR GOODS/SERVICES WOMEN-OWNED BUS.***

*****WHEN FIGURING THE TOTALS IN THIS COLUMN, THE TOTAL EXPENDITURE FOR ALL THREE CATEGORIES (SMALL, WOMEN, AND MINORITY-OWNED BUSINESSES) CAN NOT EXCEED 100%.*****

- c. Describe Offeror's plans to involve businesses owned by women in the performance of this Contract, either as part of a joint venture, as a partnership, as subcontractors or as suppliers. Offerors are encouraged to provide additional information and expand upon the following format:

PERIOD: From: _____ To: _____

FIRM NAME, ADDRESS, PHONE NO.	CONTACT PERSON	TYPE GOODS/ SERVICES	DOLLAR AMOUNTS	% OF TOTAL CONTRACT WOMEN-OWNED BUS.***

*****THIS COLUMN REFLECTS WHAT PERCENTAGE OF THE 100% VALUE OF THIS CONTRACT YOU WILL AWARD TO WOMEN-OWNED BUSINESSES*****

3. Participation by Businesses Owned by Minorities:

- a. Offeror certifies that it () is, () is not, a minority business enterprise or minority owned business. For the purpose of this procurement, a minority-owned business is a concern that is at least 51 percent owned by one or more socially and economically disadvantaged persons. Such disadvantage may arise from cultural, racial, chronic economic circumstances or background or other similar cause. Such persons include, but are not limited to, African Americans, Hispanic Americans, Asian Americans, American Indians, Eskimos, and Aleuts.
- b. List businesses owned by minorities with which the Offeror has contracted or done business and dollar amounts spent with each of these businesses in the most recent 12-month period for which data is available. Offerors are encouraged to provide additional information and expand upon the following format:

PERIOD: From: _____ To: _____

FIRM NAME, ADDRESS & PHONE NO.	CONTACT PERSON	TYPE GOODS/ SERVICES	DOLLAR AMOUNTS	% TOTAL CO. EXPENDITURES FOR GOODS/SERVICES FROM MINORITY-OWNED BUS.***

*****WHEN FIGURING THE TOTALS IN THIS COLUMN, THE TOTAL EXPENDITURE FOR ALL THREE CATEGORIES (SMALL, WOMEN, AND MINORITY-OWNED BUSINESSES) CAN NOT EXCEED 100%.*****

- c. Describe Offeror's plans to involve minority businesses in the performance of this Contract, either as part of a joint venture, as a partnership, as subcontractors or as suppliers. Offerors are encouraged to provide additional information and expand upon the following format:

PERIOD: From: _____ To: _____

FIRM NAME,

ADDRESS & PHONE NO.	CONTACT PERSON	TYPE GOODS/ SERVICES	DOLLAR AMOUNTS	% OF TOTAL CONTRACT MINORITY-OWNED BUS.***
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*****THIS COLUMN REFLECTS WHAT PERCENTAGE OF THE 100% VALUE OF THIS CONTRACT YOU WILL AWARD TO MINORITY-OWNED BUSINESSES.*****

DEFINITIONS

For the purpose of this RFP, the following shall serve as definitions:

PERIOD is the specified 12-month period for which the information provided in this list is applicable and valid. The period will be specified as month and year.

FIRM NAME, ADDRESS AND PHONE NUMBER is the name address and business phone number of the small business, women owned business or minority owned business with which the Offeror has contracted or done business over the specified period or plans to involve on this Contract, as applicable.

CONTACT PERSON is the name of the individual in the specified small business, women owned business or minority owned business who would have knowledge of the specified contracting and would be able to validate the information provided in this list.

TYPE GOODS OR SERVICES is the specific goods or services the Offeror has contracted for from the specified small, women owned or minority owned business over the specified period of time or plans to use in the performance of this Contract, as applicable. The Offeror will asterisk (*) those goods and services that are in the Offeror's primary business or industry.

DOLLAR AMOUNT is the total dollar amount (in thousands of dollars) the Offeror has contracted for or has done business with the listed firm during the specified period or plans to use on this Contract, as applicable.

% TOTAL COMPANY EXPENDITURES FOR GOODS AND SERVICES is calculated by dividing the dollar amount of business conducted or contracted for with the indicated firm over the specified period by the total expenditure of the Offeror over the specified period for goods and services.

% OF TOTAL CONTRACT is calculated by dividing the estimated dollars planned for the indicated firm on this Contract by the total Offeror estimated price of this Contract.

SMALL BUSINESS is a concern that is not dominant in the field of operation in which it is contracting and can further qualify under the criteria concerning number of employees, average annual receipts, or other criteria, as prescribed by the United States Small Business Administration.

WOMAN-OWNED BUSINESS is a concern that is at least 51 percent owned by a woman or women who also control and operate it. In this context, "control" means exercising the power to make policy decisions, and "operate" means being actively involved in the day-to-day management.

MINORITY-OWNED BUSINESS is a concern that is at least 51 percent owned by one or more socially and economically disadvantaged persons. Such disadvantage may arise from cultural, racial, chronic economic circumstances or background or other similar cause. Such persons include, but are not limited to, African Americans, Hispanic Americans, Asian Americans, American Indians, Eskimos, and Aleuts.