

**COMMONWEALTH OF VIRGINIA
TREASURY BOARD**

REQUEST FOR PROPOSALS #CMI 15-004

to serve as

REBATE CALCULATION AGENT

for the

VIRGINIA STATE NON-ARBITRAGE PROGRAM

**Manju S. Ganeriwala
STATE TREASURER**

**Harold E. Moore
Director of Financial Policy**

Note: This public body does not discriminate against faith-based organizations in accordance with the Code of Virginia, § 2.2-4343.1 or against a bidder or offeror because of race, religion, color, sex, national origin, age, disability, or any other basis prohibited by state law relating to discrimination in employment .

REQUEST FOR PROPOSALS
#CMI 15-004

Issue Date: February 13, 2015

Title: Rebate Calculation Agent – Virginia State Non-Arbitrage Program

Issuing Agency: Treasury Board
Commonwealth of Virginia
Department of the Treasury
P.O. Box 1879
Richmond, Virginia 23218-1879

Using Agencies: Treasury Board on behalf of all Virginia public entities participating in the State Non-Arbitrage Program

Initial Period Of Contract: Five (5) Years from the Date the Contract is Executed, With the Option to Renew for One Additional Three (3) Year Period at the Option of the Treasury Board and in Accordance with the Terms and Conditions noted in the Contract.

Sealed Proposals Will Be Received Until Tuesday, February 24th at 3:00 pm, For Furnishing the Rebate Calculation Services Described Herein.

If Proposals Are Mailed, Mail Directly To Issuing Agency Shown Above, Adding One Line To The Top Of The Address As Follows: Proposal for Rebate Calculation Services, RFP #CMI 15-004.

If Proposals Are Hand Delivered or Express Delivered To: Proposal for Rebate Calculation Services, RFP #CMI 15-004, Commonwealth of Virginia, Treasury Board, James Monroe Building - 3rd Floor, 101 North 14th Street, Richmond, Virginia 23219, Attn: Harold E Moore..

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 Furnish The Rebate Calculation Services 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:	eVA ID #:
Telephone Number:	E-mail address:

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SECTION I PURPOSE

The purpose of this Request for Proposals ("RFP") issued by the Treasury Board is to solicit sealed proposals from qualified vendors to establish a contract through competitive negotiations for the procurement of Rebate Calculation Services by the Treasury Board on behalf of the Virginia State Non-Arbitrage Program (SNAPSM) and all its participants.

SECTION II BACKGROUND

SNAPSM was established on March 1, 1989 by the Treasury Board pursuant to Sections 2.2-4700 through 2.2-4705 of the Code of Virginia of 1950, as amended, to provide comprehensive investment management and accounting and arbitrage rebate calculation services for proceeds of tax-exempt financings of Virginia issuers including the Commonwealth of Virginia; its counties, cities, towns; and agencies, institutions, and authorities of the Commonwealth and its local governments. The majority of all SNAP participant investment transactions are related to investment in the PFM Funds Prime Series-SNAP Fund Class ("SNAP Fund"). The SNAP Fund is an open-end management company subject to rule 2a-7 of the Investment Company Act of 1940. SNAP Fund transaction data is recorded in the Envision Financial Systems PowerAgent shareholder accounting system that is maintained by the Program Administrator/Investment Advisor. Certain participants also invest in SNAP Individual Portfolios ("SNAP IPs"). SNAP IPs are separate accounts invested in fixed income securities; there are currently 6 active SNAP IPs. Transaction records for SNAP IPs are recorded by the SS&C CAMRA Investment Accounting system that is maintained by the Program Administrator/Investment Advisor. The Program discourages the use of hard copy documents wherever possible and the Program Administrator/Investment Advisor is able to provide transaction information in electronic format. Samples of investment and transaction reports are provided as Appendix F."

Certain provisions of the Internal Revenue Code of 1986 (the "Code"), as amended, require issuers of tax-exempt financings to rebate to the federal government investment earnings in excess of the yield on those financings. The administration and legal requirements of compliance with such provisions are extensive and complicated. SNAPSM was designed to assist government issuers of tax-exempt financings in Virginia with complying with the arbitrage rebate requirements of the Internal Revenue Code.

Investments are purchased and investment documentation is maintained in accordance with requirements of the Code. Rebate calculations are prepared for SNAPSM participants by the Rebate Calculation Agent in a manner, and at such time, as to enable participants to comply with the Internal Revenue Code requirements.

The SNAPSM Rebate Calculation Agent also assists participants (1) by determining whether they have satisfied the expenditure test for any available exceptions to the rebate requirements by providing a formal report upon request, (2) by providing calculations of penalties due in lieu of rebate payments, (3) by providing upon request a formal report estimating rebate liabilities at the end of a fiscal year for financial reporting purposes, and (4) by providing yield restriction reports for

participants, upon request, with unexpended proceeds after the three year temporary period. The Rebate Calculation Agent also provides general guidance and advice relative to arbitrage rebate compliance issues to the SNAPSM Program and its participants, assists participants with arbitrage issues upon request, and provides training on arbitrage related matters to the SNAPSM program manager and participants. See the SNAPSM Information Statement at Appendix D for more detail regarding the responsibilities of the Rebate Calculation Agent.

The Commonwealth of Virginia and many of its local governments use SNAPSM for the investment of their bond proceeds. Participation is voluntary. The Virginia Public School Authority (VPSA), however, requires that all of its participants use SNAPSM. As of August 31, 2014, SNAPSM had 202 active participants representing 612* bond issues. (*Note: This number reflects the number of bond issues at the Program level (i.e., Virginia Public School Authority, Virginia College Building Authority, etc.) and does not include the “participant” bonds for the individual localities or universities included in these issues, for which calculations must also be performed.) Many of these issues, however, may qualify for one of the Expenditure Exceptions to the rebate requirements and may not require any rebate calculations to be performed. It is anticipated that approximately 70 to 90 rebate calculations will be required annually.

In order to fulfill representations to the purchasers of VPSA bonds regarding the maintenance of the exclusion of interest on its bonds from gross income for federal income tax purposes, the Rebate Calculation Agent will perform the rebate calculations required under federal law for the bonds of each locality participating in a VPSA pooled bond sale, as well as for the VPSA, itself. This may also apply to other pooled bond issues in SNAPSM.

SECTION III STATEMENT OF NEEDS:

The Rebate Calculation Agent for SNAPSM will be responsible for calculating arbitrage rebate for tax-exempt financing of issuers with proceeds deposited into SNAPSM. Rebate calculations must be performed in compliance with the requirements of the Internal Revenue Code of 1986, as amended, and any regulations issued by the U. S. Treasury Department, which may be amended from time to time. Some bond issues, such as pooled bond issues, may require the Rebate Calculation Agent to calculate the rebate at both the issuer level and at a sublevel, such as a project or sub-issuer level.

The Rebate Calculation Agent shall provide the following services:

Rebate Calculations

1. Review all applicable bond documents including the tax or arbitrage certificate, official statement, issue price certificate, indenture, resolution and other related documents;
2. Calculate the available construction proceeds;
3. Confirm and record the bond yield;
4. Calculate the rebate liability amount;
5. Provide appropriate documentation required to support calculations;
6. Provide an opinion that the rebate calculation results are accurate and consistent with the rebate requirements;
7. Maintain cumulative records and retain such documentation;
8. Report to SNAPSM and SNAPSM participants within 30 calendar days after each installment computation date;
9. Prepare federally required forms, including the IRS Form 8038-T;
10. Assist SNAPSM participants whenever necessary in the event of an IRS inquiry and/or audit.

The Rebate Calculation Agent shall expect to perform calculations every fifth year anniversary date until such time as any and all rebate liability has been satisfied. In addition, SNAPSM participants may request calculations more frequently from the Rebate Calculation Agent (e.g., annually, during the construction period, upon completion of construction.)

In addition to the rebate calculation reports required for each fifth year anniversary date until such time all rebate liability has been satisfied, the Rebate Calculation Agent shall, upon request of a SNAPSM participant:

1. Prepare and issue a Rebate Exceptions Compliance Report showing an issuer's compliance with one of the Expenditure Exceptions to rebate;
2. *Prepare and issue a rebate calculation report at year end to determine an issuer's estimated rebate liability for financial reporting purposes;
3. *Prepare and issue a Yield Restriction Report for an issue with unexpended proceeds after the three (3) year temporary period.
4. Prepare and issue a Penalty Calculation Report if a participant has elected to pay a penalty in lieu of rebate in connection with the Construction Exception. (If the SNAPSM Program Manager's records indicate that a participant has elected to pay a penalty in lieu of rebate and the participant has failed to spend the required cumulative percentage for an expenditure test date, the Program Manager will require that the Participant obtain a Penalty Calculation Report.)

*Note: These calculations may also be performed on an informal basis by the SNAPSM Program Manager.

A copy of all rebate reports issued by the Rebate Calculation Agent must be provided to the SNAPSM Program Manager.

System Capabilities

The Rebate Calculation Agent must process all data electronically, including all investment and transaction data from the SNAPSM Program Manager. This includes customized information and codes, such as transaction codes, for the SNAPSM Program. The Program discourages the use of hard copy documents wherever possible. Samples of SNAPSM investment and transaction reports are provided as Appendix F.

Tickler System to Track Calculation Dates

The Rebate Calculation Agent shall obtain past tickler information from the current contractor. The Rebate Calculation Agent shall maintain a tickler system which monitors critical deadlines for issues in SNAPSM, including all calculation due dates, including fifth year anniversary dates and those relating to revised calculation dates when bonds have been refunded.

Consultation/Education

The Rebate Calculation Agent shall work closely with the SNAPSM Program Manager and as such should be able to provide consultation on specific and technical aspects of the arbitrage rebate regulations to both the Program Manager and SNAPSM Participants.

The Rebate Calculation Agent, at its own expense, may periodically provide training, both on a one-on-one basis and in a conference setting on matters relating to arbitrage rebate.

Record Retention/Transition

The Rebate Calculation Agent must be capable of accessing and managing the existing records of the program. At the termination of the Contract, the Rebate Calculation Agent shall turn over all records related to this contract to the Treasury Board. Data that is maintained in an electronic format shall be transmitted electronically.

Upon termination of this contract, the Rebate Calculation Agent shall provide the Treasury Board and /or the SNAPSM Program Manager an electronic record of the tickler of rebate calculation dates for the SNAPSM Program. This should include all future dates on the tickler, as well as past dates including from the date of this contract.

SECTION IV PROPOSAL PREPARATION AND SUBMISSION REQUIREMENTS:

A. GENERAL REQUIREMENTS:

1. RFP Response: In order to be considered for selection, Offerors should submit a complete response to this RFP. It is desired that one original and six copies of each proposal be submitted to the Issuing Agency. The Offeror shall make no other distribution of the proposals. Additionally, an electronic redacted version shall be submitted on disk. The redacted version shall be labeled with your “company name, RFP # CMI 15-004 Redacted”. **The electronic redacted version of the proposal shall contain all information included in the original proposal, except for information that is deemed proprietary and confidential as allowed in Section 2.2-4342 of the Code of Virginia. The entire submission shall be delivered in a sealed box, and labeled as a proposal, with the words "Do Not Open" and "Rebate Calculation Services" and "CMI 15-004".**

2. Proposal Preparation:
 - a. Proposals shall be signed by an authorized representative of the Offeror. All information requested should be submitted. Failure to submit all information requested may result in the issuing agency requiring prompt submission of missing information and/or giving a lowered evaluation of the proposal. Proposals, which are substantially incomplete or lack key information, may be rejected by the issuing agency. 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 must be submitted. If an offeror fails to submit all information requested, the issuing agency may require prompt submission of missing information after the receipt of the vendor proposals.
 - c. 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. 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, subletter, 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 subletter should be repeated at the top of the next page. The proposal should

contain a table of contents, which cross references the RFP requirements. 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. 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 all data, materials and documentation originated and prepared for the State pursuant to the RFP shall belong exclusively to the State and be 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 must invoke the protection of Section 11-52D of the *Code of Virginia*, in writing, either before or at the time the data or other material is submitted. The written notice must specifically identify the data or materials to be protected and state the reasons why protection is necessary. The proprietary or trade secret material submitted must 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 will 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 the issuing agency. This provides an opportunity for the Offeror to clarify or elaborate on the proposal. This is a fact finding and explanation session only and does not include negotiation. The issuing agency will schedule the time and location of these presentations. Oral presentations are an option of the issuing agency and may or may not be conducted.

B. SPECIFIC PROPOSAL REQUIREMENTS

Proposals should be as thorough and detailed as possible so that the Department of the Treasury and/or the Treasury Board may properly evaluate the Offeror's capabilities to provide the required rebate calculation services. Offerors are required to submit the following items, separated by tabs within the proposal, as a complete proposal:

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

TAB 2. General Qualifications

1. Experience of the Firm. Provide a brief history of your firm, including the size of the firm and the resources dedicated to the function of rebate calculations. Describe your firm's experience in providing arbitrage rebate calculation services, including your firm's experience in providing services such as Rebate Calculation Agent for a Program such as SNAPSM. Indicate the number of rebate calculations your firm prepares annually and the percentage of your firm's work that this contract would represent. Include a discussion of your firm's experience in performing calculations for refunded and refunding bonds and pooled-bond issues.

Include at least two sample arbitrage rebate calculation reports recently prepared by the office of your firm that will have primary day-to-day responsibilities for this engagement. One of the reports should be for a bond issue with at least 5 years of investment activity.

2. Professional Qualifications of Personnel Serving this Contract. Please include summary resumes of the person(s) who will be responsible for performing the rebate calculations. Contained with the resume should be a brief description of their experience, office location, availability, degree of responsibility, length of tenure with the firm, and length of time performing arbitrage rebate calculations. Include the number of full time professionals dedicated to providing arbitrage rebate calculation services. Demonstrate the firm's efforts to stay current and up-to-date on the latest IRS rulings and regulations
3. References. Please list the issues for which your firm has performed rebate calculations within the last three years. Identify issuer, type of bond, original issue amount, type of calculation and scope of services provided. Provide the name, address, and phone number of a contact person at each entity for which you perform this service.
4. Opinion. Provide a sample Opinion of your firm that arbitrage calculation results were consistent with the Treasury Regulations with respect to the rebate requirement, as amended. In addition, describe the assurances you will provide to the SNAPSM participant that the work performed is consistent with federal tax law.
5. Audit and Refund. Have any of your clients been the subject of an IRS audit? Were there any adverse findings? Have any of your clients filed for a refund from the IRS of rebate amounts overpaid? Describe your firm's exposure to and experience or interaction with the IRS and its rebate regulations.

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

1. Please fill out the schedule in Appendix H.
2. Provide in detail the information and assistance that you will require from the SNAPSM Program Manager and SNAPSM participant in completing the arbitrage rebate calculations
3. Describe what type of system your firm currently uses for data management. Will this system be used to calculate rebate and maintain the data needed to calculate rebate under

this contract?

4. Discuss back-up systems provisions including disaster recovery and off-site storage capabilities.
5. The Offeror shall meet the REPORTING AND DELIVERY REQUIREMENTS as outlined in SECTION VI. State the time (on average) required to produce the various arbitrage reports and circumstances that will extend the time required to produce the reports.
6. Confirm there are no other agreements that the Commonwealth would be expected to sign if your institution is awarded the contract.

TAB 4. Omitted intentionally

TAB 5. Small, Women-Owned, and Minority-Owned Business Participation:

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, and 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. 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 will ultimately result in rejection of the proposal.

All information requested by this RFP on the ownership, utilization, and planned involvement of small businesses, women owned businesses, and minority owned businesses must be submitted. If an offeror fails to submit all information requested, the purchasing agency will require prompt submission of missing information after the receipt of vendor proposals in order for a non-compliant proposal to be considered.

SECTION V EVALUATION AND AWARD CRITERIA:

A. **EVALUATION CRITERIA:** Proposals will be evaluated by the issuing agency using the following criteria:

1. Offeror's General Qualifications – This criterion includes the qualifications, capabilities, and relevant experience of the firm, as well as staff assigned to the contract, including the ability of the Offeror to meet the requirements of the RFP to ensure high-quality service. (Weighted at 35%)
2. Soundness of Approach – Emphasis is on the Offeror's capability to deliver the desired services on schedule in accordance with the level and type of services currently being provided the SNAPSM Program. Emphasis is on the specific plans to satisfy the requirements included in the STATEMENT OF NEEDS. (Weighted at 35%)
3. References: References should be of comparable size of the Commonwealth's Program (Weighted at 10%)
4. Participation of Small, Women-Owned, and Minority-Owned Business – Emphasis is on the past, current, and planned utilization of businesses in the three classes identified. (Weighted at 20%)

B. **AWARD OF CONTRACT:**

The Commonwealth shall engage in individual discussions with two or more offerors deemed fully qualified, responsible and suitable on the basis of initial responses and with emphasis on professional competence, to provide the required services. Repetitive informal interviews shall be permissible. Such offerors shall be encouraged to elaborate on their qualifications and performance data or staff expertise pertinent to the proposed project, as well as alternative concepts. At the discussion stage the public body may discuss non-binding estimates of total project costs, including, but not limited to, life-cycle costing, and, where appropriate, non-binding estimates of price for services. Proprietary information from competing offerors shall not be disclosed to the public or to competitors. At the conclusion of the informal interviews, on the basis of evaluation factors published in the Request for Proposals and all information developed in the selection process to this point, the purchasing agency shall select, in the order of preference, two or more offerors whose professional qualifications and proposed services are deemed most meritorious. Negotiations shall then be conducted, beginning with the offeror ranked first. If a contract satisfactory and advantageous to the purchasing agency can be negotiated at a price considered fair and reasonable, the award shall be made to that offeror. Otherwise, negotiations with the offeror ranked first shall be formally terminated and negotiations conducted with the offeror ranked second, and so on, until such a contract can be negotiated at a fair and reasonable price. The Commonwealth reserves the right to make multiple awards as a result of this solicitation. 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 and suitable than the others under consideration, a contract may be negotiated and awarded to that offeror.

SECTION VI REPORTING AND DELIVERY REQUIREMENTS:

The Rebate Calculation Agent shall meet all the reporting and delivery requirements outlined in Section III, Statement of Needs.

The Rebate Calculation Agent shall provide a monthly report of work in progress (to include status of individual clients' work) to the Director of Cash Management and Investments, Department of the Treasury, Commonwealth of Virginia and report the following information to the Treasury Board annually:

- A listing of calculations prepared and reports issued under this contract during the twelve month period;
- The fees billed and collected by the Rebate Calculation Agent for services provided under this contract for the twelve month period;
- Changes in federal regulations or industry standards as they relate to arbitrage rebate that may impact SNAPSM and its participants.

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.eva.virginia.gov under “Vendors Manual” on the vendors tab.
- B. **APPLICABLE LAWS AND COURTS:** This solicitation and any resulting contract shall be governed in all respects by the laws of the Commonwealth of Virginia and any litigation with respect thereto shall be brought in the courts of the Commonwealth. The agency and the contractor are encouraged to resolve any issues in controversy arising from the award of the contract or any contractual dispute using Alternative Dispute Resolution (ADR) procedures (*Code of Virginia*, § 2.2-4366). ADR procedures are described in Chapter 9 of the Vendors Manual. The contractor shall comply with all applicable federal, state and local laws, rules and regulations.
- C. **ANTI-DISCRIMINATION:** By submitting 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 (VPPA). If the award is made to a faith-based organization, the organization shall not discriminate against any recipient of goods, services, or disbursements made pursuant to the contract on the basis of the recipient's religion, religious belief, refusal to participate in a religious practice, or on the basis of race, age, color, gender or national origin and shall be subject to the same rules as other organizations that contract with public bodies to account for the use of the funds provided; however, if the faith-based organization segregates public funds into separate accounts, only the accounts and programs funded with public funds shall be subject to audit by the public body. (*Code of Virginia*, § 2.2-4343.1E).

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

1. During the performance of this contract, the contractor agrees as follows:
 - a. The contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability, or any other basis prohibited by state law relating to discrimination in employment, except where there is a bona fide occupational qualification reasonably necessary to the normal operation of the contractor. The contractor agrees to post in

conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.

- b. The contractor, in all solicitations or advertisements for employees placed by or on behalf of the contractor, will state that such contractor is an equal opportunity employer.
 - c. Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting these requirements.
2. The contractor will include the provisions of 1 above in every subcontract or purchase order over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.
- D. **ETHICS IN PUBLIC CONTRACTING:** By submitting 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 entering into a written contract with the Commonwealth of Virginia, the Contractor certifies that the Contractor does not, and shall not during the performance of the contract for goods and services in the Commonwealth, knowingly employ an unauthorized alien as defined in the federal Immigration Reform and Control Act of 1986.
- F. **DEBARMENT STATUS:** By submitting their proposals, offerors certify that they are not currently debarred by the Commonwealth of Virginia from submitting bids or proposals on contracts for the type of goods and/or services covered by this solicitation, nor are they an agent of any person or entity that is currently so debarred.
- G. **ANTITRUST:** By entering into a contract, the contractor conveys, sells, assigns, and transfers to the Commonwealth of Virginia all rights, title and interest in and to all causes of action it may now have or hereafter acquire under the antitrust laws of the United States and the Commonwealth of Virginia, relating to the particular goods or services purchased or acquired by the Commonwealth of Virginia under said contract.

- H. **MANDATORY USE OF STATE FORM AND TERMS AND CONDITIONS FOR IFBs AND RFPs:** Failure to submit a proposal on the official state form provided for that purpose may be a cause for rejection of the proposal. Modification of or additions to 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 (bidder/offeror) has questions about the specifications or other solicitation documents, the prospective (bidder/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. Invoices for items ordered, delivered and accepted 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 which 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.

3. Each prime contractor who wins an award in which provision of a SWAM procurement plan is a condition to the award, shall deliver to the contracting agency or institution, on or before request for final payment, evidence and certification of compliance (subject only to insubstantial shortfalls and to shortfalls arising from subcontractor default) with the SWAM procurement plan. Final payment under the contract in question may be withheld until such certification is delivered and, if necessary, confirmed by the agency or institution, or other appropriate penalties may be assessed in lieu of withholding such payment.

4. The Commonwealth of Virginia encourages contractors and subcontractors to accept electronic and credit card payments.

K. PRECEDENCE OF TERMS: The following General Terms and Conditions VENDORS

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

- 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 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 Purchasing 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 Purchasing 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 Purchasing 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 Purchasing Agency with all vouchers and records of expenses incurred and savings realized. The Purchasing 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 Purchasing Agency within thirty (30) days from the date of receipt of the written order from the Purchasing 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 Purchasing 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 which the Commonwealth may have.
- Q. TAXES: Omitted
- R. USE OF BRAND NAMES: Omitted
- S. TRANSPORTATION AND PACKAGING: Omitted
- T. INSURANCE: By signing and submitting a bid or proposal under this solicitation, the offeror certifies that if awarded the contract, it will have the following insurance coverage at the time the contract is awarded. For construction contracts, if any subcontractors are involved, the subcontractor will have workers' compensation insurance in accordance with

§§ 2.2-4332 and 65.2-800 et seq. of the *Code of Virginia*. The offeror further certifies that the contractor and any subcontractors will maintain these insurance coverage during the entire term of the contract and that all insurance coverage will be provided by insurance companies authorized to sell insurance in Virginia by the Virginia State Corporation Commission.

MINIMUM INSURANCE COVERAGES AND LIMITS REQUIRED FOR MOST CONTRACTS:

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

<u>Profession/Service</u>	<u>Limits</u>
Accounting aggregate	\$1,000,000 per occurrence, \$3,000,000

- U. ANNOUNCEMENT OF AWARD: Upon the award or the announcement of the decision to award a contract as a result of this solicitation, the purchasing agency will publicly post such notice on the DGS/DPS eVA VBO (www.eva.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, disability, faith-based organizational status, any other basis prohibited by state law relating to discrimination in employment or because the bidder or offeror employs ex-offenders unless the state agency, department or institution has made a written determination that employing ex-offenders on the specific contract is not in its best interest. If the award of this contract is made to a faith-based organization and an individual, who applies for or receives goods, services, or disbursements provided pursuant to this contract objects to the religious character of the faith-based organization from which the individual receives or would receive the goods, services, or disbursements, the public body shall offer the individual, within a reasonable period of time after the date of his objection, access to equivalent goods, services, or disbursements from an alternative provider.

X. **eVA BUSINESS-TO-GOVERNMENT VENDOR REGISTRATION, CONTRACTS, AND ORDERS:** The eVA Internet electronic procurement solution, website portal www.eVA.virginia.gov, streamlines and automates government purchasing activities in the Commonwealth. The eVA portal is the gateway for vendors to conduct business with state agencies and public bodies. All vendors desiring to provide goods and/or services to the Commonwealth shall participate in the eVA Internet eprocurement solution by completing the free eVA Vendor Registration. All bidders or offerors must register in eVA and pay the Vendor Transaction Fees specified below; failure to register will result in the bid/proposal being rejected.

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

- a. For orders issued July 1, 2011 thru December 31, 2013, the Vendor Transaction Fee is:
 - (i) DMBE-certified Small Businesses: 0.75%, capped at \$500 per order.
 - (ii) Businesses that are not DMBE-certified Small Businesses: 0.75%, capped at \$1,500 per order.
- b. For orders issued January 1, 2014 and after, the Vendor Transaction Fee is:

- (i) DMBE-certified Small Businesses: 1%, capped at \$500 per order.
- (ii) Businesses that are not DMBE-certified Small Businesses: 1%, capped at \$1,500 per order.

For orders issued prior to July 1, 2011 the vendor transaction fees can be found at www.eVA.virginia.gov.

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

- Y. 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.
- Z. BID PRICE CURRENCY: Unless stated otherwise in the solicitation, offerors shall state offer prices in US dollars.
- AA. AUTHORIZATION TO CONDUCT BUSINESS IN THE COMMONWEALTH: A contractor organized as a stock or non stock corporation, limited liability company, business trust, or limited partnership or registered as a registered limited liability partnership shall be authorized to transact business in the Commonwealth as a domestic or foreign business entity if so required by Title 13.1 or Title 50 of the *Code of Virginia* or as otherwise required by law. Any business entity described above that enters into a contract with a public body pursuant to the Virginia Public Procurement Act shall not allow its existence to lapse or its certificate of authority or registration to transact business in the Commonwealth, if so required under Title 13.1 or Title 50, to be revoked or cancelled at any time during the term of the contract. A public body may void any contract with a business entity if the business entity fails to remain in compliance with the provisions of this section.

SECTION IX SPECIAL TERMS AND CONDITIONS:

- A. **AUDIT:** The Contractor hereby agrees to retain all books, records, and other documents relative to this Contract for five (5) years after final payment, or until audited by the Commonwealth of Virginia, whichever is sooner. The agency, its authorized agents, and/or State auditors shall have full access to and the right to examine any of said materials during said period.
- B. **AUTHORIZED USERS:** The Department of the Treasury (Treasury) has issued this contract on behalf of the Treasury Board. Requirements of the Treasury Board have been incorporated within this contract. Treasury is responsible for administering the program; therefore, correspondence should be directed to the issuing Agency.
- C. **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.
- D. **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 Treasury Board.
- E. **SMALL BUSINESS SUBCONTRACTING AND EVIDENCE OF COMPLIANCE:**
1. It is the goal of the Commonwealth that 42% of its purchases be made from small businesses. This includes discretionary spending in prime contracts and subcontracts. All potential bidders/offerors are required to submit a Small Business Subcontracting Plan. Unless the offeror is registered as a DMBE-certified small business and where it is practicable for any portion of the awarded contract to be subcontracted to other suppliers, the contractor is encouraged to offer such subcontracting opportunities to DMBE-certified small businesses. This shall not exclude DMBE-certified women-owned and minority-owned businesses when they have received DMBE small business certification. No offeror or subcontractor shall be considered a Small Business, a Women-Owned Business or a Minority-Owned Business unless certified as such by the Department of Minority Business Enterprise (DMBE) by the due date for receipt of bids or proposals. If small business subcontractors are used, the prime contractor agrees to report the use of small business subcontractors by providing the purchasing office at a minimum the following information: name of small business with the DMBE certification number, phone number, total dollar amount subcontracted, category type (small, women-owned, or minority-owned), and type of product/service provided.

2. Each prime contractor who wins an award in which provision of a small business subcontracting plan is a condition of the award, shall deliver to the contracting agency or institution on a quarterly basis, evidence of compliance (subject only to insubstantial shortfalls and to shortfalls arising from subcontractor default) with the small business subcontracting plan. When such business has been subcontracted to these firms and upon completion of the contract, the contractor agrees to furnish the purchasing office at a minimum the following information: name of firm with the DMBE certification number, phone number, total dollar amount subcontracted, category type (small, women-owned, or minority-owned), and type of product or service provided. Payment(s) may be withheld until compliance with the plan is received and confirmed by the agency or institution. The agency or institution reserves the right to pursue other appropriate remedies to include, but not be limited to, termination for default.
 3. Each prime contractor who wins an award valued over \$200,000 shall deliver to the contracting agency or institution on a quarterly basis, information on use of subcontractors that are not DMBE-certified small businesses. When such business has been subcontracted to these firms and upon completion of the contract, the contractor agrees to furnish the purchasing office at a minimum the following information: name of firm, phone number, total dollar amount subcontracted, and type of product or service provided.
- F. **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.
- G. **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.
- H. **E-VERIFY PROGRAM: EFFECTIVE 12/1/13.** Pursuant to *Code of Virginia*, §2.2-4308.2., any employer with more than an average of 50 employees for the previous 12 months entering into a contract in excess of \$50,000 with any agency of the Commonwealth to perform work or provide services pursuant to such contract shall register and participate in the E-Verify program to verify information and work authorization of its newly hired employees performing work pursuant to such public contract. Any such employer who fails to comply with these provisions shall be debarred from contracting with any agency of the Commonwealth for a period up to one year. Such debarment shall cease upon the employer's registration and

participation in the E-Verify program. If requested, the employer shall present a copy of their Maintain Company page from E-Verify to prove that they are enrolled in E-Verify.

- I. **STATE CORPORATION COMMISSION IDENTIFICATION NUMBER:** Pursuant to *Code of Virginia*, §2.2-4311.2 subsection B, a bidder or offeror organized or authorized to transact business in the Commonwealth pursuant to Title 13.1 or Title 50 is required to include in its bid or proposal the identification number issued to it by the State Corporation Commission (SCC). Any bidder or offeror that is not required to be authorized to transact business in the Commonwealth as a foreign business entity under Title 13.1 or Title 50 or as otherwise required by law is required to include in its bid or proposal a statement describing why the bidder or offeror is not required to be so authorized. Indicate the above information on the SCC Form provided. Contractor agrees that the process by which compliance with Titles 13.1 and 50 is checked during the solicitation stage (including without limitation the SCC Form provided) is streamlined and not definitive, and the Commonwealth's use and acceptance of such form, or its acceptance of Contractor's statement describing why the bidder or offeror was not legally required to be authorized to transact business in the Commonwealth, shall not be conclusive of the issue and shall not be relied upon by the Contractor as demonstrating compliance.
- J. **eVA BUSINESS-TO-GOVERNMENT CONTRACTS AND ORDERS:** The solicitation/contract will result in an annual purchase order with the eVA transaction fee specified below assessed for each order.
- a. For orders issued July 1, 2011 thru December 31, 2013, the Vendor Transaction Fee is:
- (i) DMBE-certified Small Businesses: 0.75%, capped at \$500 per order.
 - (ii) Businesses that are not DMBE-certified Small Businesses: 0.75%, capped at \$1,500 per order.
- b. For orders issued January 1, 2014, and after, the Vendor Transaction Fee is:
- (i) DMBE-certified Small Businesses: 1%, capped at \$500 per order.
 - (ii) Businesses that are not DMBE-certified Small Businesses: 1%, capped at \$1,500 per order.

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

The eVA 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 provide an electronic catalog (price list) or index page catalog for items awarded will be just cause for the Commonwealth to reject your bid/offer or terminate this contract for default. 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 email Catalog or Index Page information to eVA-catalog-manager@dgs.virginia.gov.

SECTION IX METHOD OF PAYMENT:

Fees of the Rebate Calculation Agent will be billed directly to the SNAPSM participant. Invoices should provide a detailed description of the services provided, rates charged, and the amount due.

APPENDIX A
FORM OF COMMONWEALTH OF VIRGINIA CONTRACT

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

COMMONWEALTH OF VIRGINIA
Department of the Treasury
Contract Number **CMI 15-004**

This Contract is entered into this ___ day of ____, 2015, by _____, hereinafter called the "Contractor", and the Commonwealth of Virginia Treasury Board, hereinafter called the "Purchasing Agency".

WITNESSETH that the Contractor and the Purchasing 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: Five (5) years from the date of execution, with one three-year option to renew the Contract under the terms and conditions stated herein.

CONTRACT DOCUMENTS: The Contract Documents shall consist of:

- (1) This signed Contract;
- (2) The following portions of the Request for Proposals dated **XXXXXXXX**
 - (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 **[XXXX ##, 2015]** and all written modifications to the Proposal, all of which documents are incorporated herein.

Any contractual claims shall be submitted in accordance with the contractual dispute procedures set forth in 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.

**APPENDIX B
OFFEROR'S REPORT ON SMALL, WOMEN-OWNED
AND MINORITY-OWNED BUSINESSES
Small Business Subcontracting Plan**

Definitions

Small Business: "Small business " means an independently owned and operated business which, together with affiliates, has 250 or fewer employees, or average annual gross receipts of \$10 million or less averaged over the previous three years. Note: DMBE-certified women- and minority-owned businesses shall also be considered small businesses when they have received DMBE small business certification.

Women-Owned Business: Women-owned business means a business concern that is at least 51% owned by one or more women who are citizens of the United States or non-citizens who are in full compliance with United States immigration law, or in the case of a corporation, partnership or limited liability company or other entity, at least 51% of the equity ownership interest is owned by one or more women who are citizens of the United States or non-citizens who are in full compliance with United States immigration law, and both the management and daily business operations are controlled by one or more women who are citizens of the United States or non-citizens who are in full compliance with the United States immigration law.

Minority-Owned Business: Minority-owned business means a business concern that is at least 51% owned by one or more minority individuals or in the case of a corporation, partnership or limited liability company or other entity, at least 51% of the equity ownership interest in the corporation, partnership, or limited liability company or other entity is owned by one or more minority individuals and both the management and daily business operations are controlled by one or more minority individuals.

All small businesses must be certified by the Commonwealth of Virginia, Department of Minority Business Enterprise (DMBE) by the due date of the solicitation to participate in the SWAM program. Certification applications are available through DMBE online at www.dmbv.virginia.gov (Customer Service).

Bidder Name: _____

Preparer Name: _____ **Date:** _____

Instructions

- A. If you are certified by the Department of Minority Business Enterprise (DMBE) as a small business, complete only Section A of this form. This shall not exclude DMBE-certified women-owned and minority-owned businesses when they have received DMBE small business certification.
- B. If you are not a DMBE-certified small business, complete Section B of this form. For the bid to be considered and the bidder to be declared responsive, the bidder shall identify the portions of the contract that will be subcontracted to DMBE-certified small business in Section B.

Section A

If your firm is certified by the Department of Minority Business Enterprise (DMBE), are you certified as a (**check only one below**):

- Small Business
- Small and Women-owned Business
- Small and Minority-owned Business

Certification number: _____ Certification

Date: _____

Section B

Populate the table below to show your firm's plans for utilization of DMBE-certified small businesses in the performance of this contract. This shall not exclude DMBE-certified women-owned and minority-owned businesses that have received the DMBE small business certification. Include plans to utilize small businesses as part of joint ventures, partnerships, subcontractors, suppliers, etc.

B. Plans for Utilization of DMBE-Certified Small Businesses for this Procurement

Small Business Name & Address DMBE Certificate #	Status if Small Business is also: Women (W), Minority (M)	Contact Person, Telephone & Email	Type of Goods and/or Services	Planned Involvement During Initial Period of the Contract	Percent of Contract Sub-Contracted to DMBE Registered Small Business During Initial Period of the Contract
Totals					

APPENDIX C
DEFINITIONS OF CERTAIN TERMS
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.

APPENDIX D
SNAPSM INFORMATION STATEMENT

<https://www.vasnap.com/uploadedFiles/VSNAP/LeftMenu/FormsandDocuments/SNAPInformationStatement.pdf>

APPENDIX E
SNAPSM FUND PROSPECTUS

<https://www.vasnap.com/uploadedFiles/VSNAP/LeftMenu/FormsandDocuments/SNAPProspectus.pdf>

APPENDIX F
SAMPLE SNAPSM INVESTMENT REPORTS

Please see separate documents:

“SNAP Standard Monthly Account Statement.pdf” and “SNAP Inception-to-Date Transaction Report.pdf”

APPENDIX G

SNAPSM ANNUAL REPORT

<https://www.vasnap.com/uploadedFiles/VSNAP/LeftMenu/FormsandDocuments/SNAPAnnualReport.pdf>

**Appendix H
Required Services**

Required Services – Complete the table below by stating whether your firm can provide the services listed in the Statement of Needs. Provide any additional comments in the column labeled “comments.”

Rebate Calculations and Recordkeeping:				
	Yes	No		Comments
Review all bond documents, tax, arbitrage certificate, related documents	<input type="checkbox"/>	<input type="checkbox"/>		
Calculate the available construction proceeds	<input type="checkbox"/>	<input type="checkbox"/>		
Confirm and record bond yield	<input type="checkbox"/>	<input type="checkbox"/>		
Calculate the rebate liability amount	<input type="checkbox"/>	<input type="checkbox"/>		
Provide appropriate documentation required to support calculations	<input type="checkbox"/>	<input type="checkbox"/>		
Provide an opinion that the rebate calculation results are accurate and consistent with the rebate requirements	<input type="checkbox"/>	<input type="checkbox"/>		
Maintain cumulative records and retain such documentation	<input type="checkbox"/>	<input type="checkbox"/>		
Report to SNAP SM and SNAP SM participants within 30 calendar days after each installment computation date	<input type="checkbox"/>	<input type="checkbox"/>		
Prepare federally required forms including the IRS Form 8038-T	<input type="checkbox"/>	<input type="checkbox"/>		

Assist SNAP SM participants whenever necessary in the event of an IRS inquiry and/or audit	<input type="checkbox"/>	<input type="checkbox"/>		
It is expected that calculations will be required for each fifth year anniversary date until such time as any and all rebate liability has been satisfied. In addition, SNAP SM participants may request calculations at more frequent intervals (i.e., annually, during the construction period, upon completion of construction, all as may be requested by the SNAP SM participant.)	<input type="checkbox"/>	<input type="checkbox"/>		
	Yes	No		Comments
Prepare and issue a Rebate Exceptions Compliance Report showing an issuer's compliance with one of the Expenditure Exceptions to rebate	<input type="checkbox"/>	<input type="checkbox"/>		
*Prepare and issue a rebate calculation report at year end to determine an issuer's estimated rebate liability for financial reporting purposes *Note: These calculations are provided on an informal basis by the SNAP SM Program Manager.	<input type="checkbox"/>	<input type="checkbox"/>		

<p>*Prepare and issue a Yield Restriction Report for an issue with unexpended proceeds after the three (3) year temporary period</p> <p>*Note: These calculations are provided on an informal basis by the SNAPSM Program Manager.</p>	<input type="checkbox"/>	<input type="checkbox"/>		
<p>Prepare and issue a Penalty Calculation Report if a participant has elected to pay a penalty in lieu of rebate in connection with the Construction Exception</p>	<input type="checkbox"/>	<input type="checkbox"/>		
<p>The Rebate Calculation Agent must process electronically all investment and transaction data from the SNAPSM Program Manager.</p>	<input type="checkbox"/>	<input type="checkbox"/>		
<p>The rebate calculation agent shall provide a tickler system which monitors critical deadlines for issues in SNAPSM, including all calculation due dates, including fifth year anniversary dates and those relating to revised calculation dates when bonds have been refunded.</p>	<input type="checkbox"/>	<input type="checkbox"/>		
<p>The Rebate Calculation Agent shall work closely with the SNAPSM Program Manager and as such will be able to provide consultation on specific and technical aspects of the arbitrage rebate regulations to both the Program Manager and SNAPSM Participants.</p>	<input type="checkbox"/>	<input type="checkbox"/>		

<p>The Rebate Calculation Agent, at its own expense, may periodically provide training, both on a one-on-one basis and in a conference setting on matters relating to arbitrage rebate.</p>	<input type="checkbox"/>	<input type="checkbox"/>		
<p>The Contractor must be capable of accessing, maintaining and managing the legacy and existing records of the program. At the termination of the Contract, the Contractor shall turn over all records related to this contract to the Treasury Board at the termination of the Contract. Data that is maintained in an electronic format shall be transmitted electronically</p>	<input type="checkbox"/>	<input type="checkbox"/>		
<p>Upon termination of this contract, the Rebate Calculation Agent shall provide the Treasury Board and /or the SNAPSM Program Manager an electronic record of the tickler of rebate calculation dates for the SNAPSM Program. This should include all future dates on the tickler, as well as past dates including from the date of this contract</p>	<input type="checkbox"/>	<input type="checkbox"/>		