



## SCHOLARSHARE INVESTMENT BOARD

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**EXECUTIVE DIRECTOR**  
Julio Martinez

### ScholarShare Investment Board Request for Proposals No. SIB05-20 Audit Services

### Notice to Prospective Bidders

June 14, 2021

You are invited to review and respond to this Request for Proposals No. SIB05-20 (RFP) for audit services.

Proposals for these services must comply with the instructions included in this RFP. The RFP includes the Sample Standard Agreement the selected firm will be expected to execute. The agreement that will be entered into with the State of California ("State") will include by reference the General Terms and Conditions and Contractor Certification Clauses which may be viewed and downloaded online at <https://www.dgs.ca.gov/OLS/Resources/Page-Content/Office-of-Legal-Services-Resources-List-Folder/Standard-Contract-Language>. The General Terms and Conditions and all Exhibits that are a part of the Sample Standard Agreement are not negotiable. By submitting a proposal, your firm agrees to the terms and conditions stated in this RFP. The contract will be for a two (2) year term with a dollar value not to exceed \$50,000 (\$25,000 per year) with an option to extend the contract for one additional year and a dollar amount not to exceed \$25,000. Please refer to the attached Cost Proposal Work Sheet (Attachment 3) to outline the cost portion of your submitted proposal.

All responses to this RFP must be submitted in hard copy and received by SIB no later than **4:00 p.m. Pacific Time** on **July 14, 2021**. Email or faxed submissions will not be accepted. All proposals must be delivered to:

ScholarShare Investment Board  
915 Capitol Mall, Room 590  
Sacramento, California 95814  
Attention: Stanley Zeto

In the opinion of the ScholarShare Investment Board, this RFP is complete and without need of explanation. However, if you have questions, or should you need any clarifying information, contact Stanley Zeto by email at [scholarshare@treasurer.ca.gov](mailto:scholarshare@treasurer.ca.gov).

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

The State of California will not contract or otherwise do business with publicly-held U.S. expatriate corporations without a compelling public interest. This policy is designed to ensure that companies with which the State of California does business meet threshold standards of corporate accountability.

On behalf of the ScholarShare Investment Board, thank you for your interest.

Julio Martinez  
Executive Director

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Attachments

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Sample Standard Agreement

STD 213 - Standard Agreement

Exhibit A - Scope of Work

Exhibit B - Budget Detail and Payment Provisions

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Exhibit C - General Terms and Conditions

Exhibit D - Special Terms and Conditions

Exhibit D-1 - Resumes

## A) Purpose and Description of Services

### 1) Scope Overview

The [ScholarShare Investment Board](#) (SIB or Board) is the administrator of California's 529 college savings plan, the [ScholarShare 529 College Savings Plan](#) (Plan), and the upcoming [California Kids Investment and Development Savings Program](#) (CaKIDS). SIB is the State agency responsible for the effective and efficient administration of the Golden State ScholarShare College Savings Trust (Trust).

Section 69989 of the Education Code requires SIB to submit an annual audited financial report, prepared in accordance with generally accepted accounting principles, on the operations of the Trust by October 31 each year.

SIB is soliciting proposals from qualified public accounting firms to audit financial statements for each of the Board's two existing funds for the fiscal years ending June 30, 2021 and June 30, 2022. The two funds include the ScholarShare Administrative Fund and the CaKIDS Fund. Audited financial statements for the ScholarShare Administrative Fund for the year ending June 30, 2020 are available online at [www.treasurer.ca.gov/scholarshare/publications.asp](http://www.treasurer.ca.gov/scholarshare/publications.asp). The CaKIDS Fund is new and has not been previously been audited.

### 2) Sample Standard Agreement

This Request for Proposals No. SIB05-20 (RFP) includes a Sample Standard Agreement (Sample Agreement) for each Bidder's review. The Sample Agreement contains the language that SIB expects to utilize for this contract. The term of the contract entered into pursuant to this RFP, if any, will be two years with an option at the state's sole discretion to extend for up to one year.

### 3) Background

The California Legislature authorized creation of the Trust in 1997 (Education Code Sections 69980-69994 (Act)), intending it to be a "qualified tuition program" as defined in Section 529 (Section 529) of the Internal Revenue Code of 1986, as amended (Code). The Act authorizes Trust investments for a specific beneficiary's advance savings for qualified higher education expenses in a postsecondary educational institution. The Board was established to administer the state's qualified tuition program.

SIB is the state entity responsible for effective and efficient administration of the Trust. The seven member SIB meets four to five times annually, with additional meetings if deemed necessary. Meetings are generally held in Sacramento, California at the State Treasurer's Office, 915 Capitol Mall, but may be held at other locations.

### 4) Scope of Work

The Scope of Work is found in Exhibit A of the Sample Agreement. The contract will be subject to the approval of SIB. In no event shall services be performed prior to the approval of an agreement, if any, by the State of California.

The following scope of work details SIB's expectations for an auditor. These audit services include the following:

- a) Provide to SIB audit and examination services for each of the two program funds, the ScholarShare Administrative Fund and the CaKIDS Fund, as described herein:

- i. An evaluation of systems of internal control, in accordance with generally accepted auditing standards as set forth in Statements on Auditing Standards, and published by the American Institution of Certified Public Accountants. The audit and examination will be conducted so that the Contractor may render an opinion on the financial statements taken as a whole complying with Rule 58.1 of the State Board of Accountancy in conformity with generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB), and applicable provisions of State law.
  - i. Contractor will confirm expenses for all program funds.
  - ii. Contractor will treat all information in a confidential manner with all recommendations to be stated only in the audit reports provided to the SIB for appropriate release by SIB as required by law.
- b) Contractor agrees to provide to SIB an audit report for each of the two program funds as described herein:
- i. Report shall include a statement of the scope of the audit and examination for each program fund; the period covered by the audit and examination; and a list of the financial statements included in the report.
  - ii. Report shall include a statement of material audit findings and recommendations regarding the financial statements, internal control and accounting systems, and legality of actions for each program fund.
  - iii. Audited financial statements in the report shall include a “Statement of Operations,” “Statement of Assets and Liabilities” (Balance Sheet), and a “Statement of Cash Flows” for each program fund.
  - iv. Report shall include any other material matter and information.
  - v. Draft and final versions of the audit reports will be due to SIB staff pursuant to the schedule outlined in the table below:

Audit Report	Fiscal Year Ending	
	June 30, 2021	June 30, 2022
Draft Version	Due September 30, 2021	Due September 27, 2022
Final Version	Due October 14, 2021	Due October 11, 2022

Note: Due dates for the draft and final version of the report for fiscal year ending June 30, 2023 will be provided if the one-year option is renewed.

- vi. The Contractor shall review the proposed reports with SIB staff prior to finalization and presentation to SIB as necessary.
- vii. One (1) original and five (5) printed copies of each report shall be prepared and provided to SIB staff with provision for additional copies upon request. An electronic version in PDF shall also be provided to SIB staff.

The services shall be performed at the offices of the Contractor and at the offices of appropriate affiliates, related entities, subsidiaries and subcontractors; however there will be some mandatory meetings at 915 Capitol Mall, Sacramento, California 95814.

Contractor shall ensure that the quality and availability of its personnel assigned to this agreement will be maintained over the term of the agreement. To ensure independence and maintain a healthy professional skepticism between the Contractor and SIB, the Board may require the Contractor to rotate either their auditing teams or lead auditors at least once during the term of the agreement. Any changes in assigned personnel are at the discretion of the firm, provided that any replacements have substantially the same as or better qualifications and experience than the original personnel.

## B) Minimum Qualifications for Bidders

**Bidders shall address the minimum qualifications stated below by completing Attachment 5 in Section F of the RFP.** Failure to meet these minimum qualifications will cause your proposal to be considered non-responsive and the proposal will be rejected.

- Bidder must be a professional certified public accounting firm, not in public employment, in business for at least three (3) years cumulatively.
- Bidder must be licensed to do business in the State of California.
- Bidder must have an office and professional CPA staff in the State of California.

## C) Proposal Requirements and Information

### 1) Schedule (Key Action Dates)

All Bidders are hereby advised of the following schedule and will be expected to adhere to the required dates and times (all times listed are Pacific Time (PT)).

Date	Action
June 14, 2021	RFP available to Prospective Bidders
June 21, 2021, 12:00 p.m. PT	Written Question Submittal Deadline
June 29, 2021	Answers to Written Questions Distributed
July 14, 2021, 4:00 p.m. PT	Deadline for Proposal Submission
July 15 - July 20, 2021	Evaluation of Proposals
July 21, 2021	Notice of Intent to Award
August 21, 2021	Commencement of Contract (pending approval)

SIB reserves the right to change the above dates and times, and, if so, SIB may modify this RFP prior to the date fixed for submission of proposals by the issuance of an addendum. SIB will also provide post updates online at <http://treasurer.ca.gov/scholarshare/> and <https://caleprocure.ca.gov/>. SIB also reserves the right not to award an agreement at all.

### 2) Questions and Answers

In the opinion of SIB, this RFP is complete and needs no further explanation. However, if you have questions, or should you need any clarifying information, contact Stanley Zeto by phone at (916) 651-6380 or by e-mail at [scholarshare@treasurer.ca.gov](mailto:scholarshare@treasurer.ca.gov). Bidders may submit written questions, if any, no later than by 12:00 p.m. PT on June 21, 2021 by email to [scholarshare@treasurer.ca.gov](mailto:scholarshare@treasurer.ca.gov).

A copy of the responses to all written questions received by 12:00 p.m. PT on June 21, 2021 will be provided to Bidders via email and posted online at [www.treasurer.ca.gov/scholarshare](http://www.treasurer.ca.gov/scholarshare) and <https://caleprocure.ca.gov/> by close of business on June 29, 2021.

### 3) Content and Format of Proposals

a) In preparing proposals, Bidders should:

- Use standard 8½" x 11" white paper with a minimum type size of 12 points. Consecutively number all pages in the Bidder's response (including attachments and/or appendices).
- Include a cover letter stating:
  - The name, address, email, phone and fax numbers of the principal contact responsible for the oversight of the agreement. Indicate the availability of this person for meetings with SIB staff.

- The name, address, email, phone and fax numbers of the project representative who will be available to SIB and its staff on a day-to-day basis during the term of the agreement.
- The name, address, email, phone, fax number and name of a key contact at each partner, if a consortium, and subcontractor and what the aforementioned would be responsible for under the agreement.
- That the Bidder accepts the terms of the Sample Agreement attached to this RFP. Please note that the General Terms and Conditions in Exhibit C are not negotiable.

b) **Qualifications and Experience**

Questions in this Section C(3)(b) are intended to demonstrate the Bidder's qualifications. Points will be awarded for the Bidder's response(s) to each question. The allocation of points is defined in Section C(5) of this RFP entitled "Evaluation Process." Questions should be answered for each personnel or subcontractor to the extent applicable if a Bidder is a consortium or is using subcontractors. In preparing proposals, the Bidder should list each question and then provide the Bidder's response to that question in the same order listed in this RFP.

**i. Required Information (Zero (0) points)**

- a. State the name, address, telephone and fax numbers, and e-mail addresses of Bidder's firm and the person who will have ultimate responsibility for this contract.
- b. Disclose any business relationships, which may be construed to be potential or actual conflicts of interest. The contractor will have a continuing requirement to disclose any business relationships that may be construed to be a potential or actual conflict. The disclosure must be sufficiently detailed to inform the Board of the nature, implications and potential consequences of each conflict and must include an explanation of how the Bidder addresses, or intends to manage or mitigate, each conflict.

**ii. Qualifications and Experience of the Firm (Maximum of thirty-five (35) points)**

Provide a brief description of the firm's qualifications and experiences that demonstrate its capability as auditor with regard to State governmental agencies and ability to successfully complete the services outlined in the Scope of Work outlined in Section A of the RFP. The firm should have conducted, within the last five (5) years, at least one (1) audit of State governmental agencies. The firm must have experience in State accounting and related processes. Such experience may include a financial audit of a State department or services as an accounting consultant to a State agency. Completion of Attachment 4 (Bidder References) is an accompanying piece in documenting the firm's experience.

**iii. Qualifications and Experience of Personnel (Maximum of thirty-five (35) points)**

Identify the personnel who would be directly involved in providing the auditing services under this agreement. Provide a resume as well as a brief description of the background and experience of each individual, including the number of years and type of experience at the current firm as well as prior service. The party in charge of the SIB account should have at least three (3) years of experience in public accounting and audits of State agencies, or services as an accounting consultant to a State agency.

**iv. Cost Proposal (Maximum of thirty (30) points)**

Use Attachment 3 (Cost Proposal) to complete your cost proposal for each year of the contract term (including the potential extension year), which will be a full and final estimate. **SIB expects the total amount of the contract not to exceed \$75,000 for this potential three-year contract.** Historically, the services outlined in the Scope of Work in Section A of the RFP have taken approximately 150-175 hours annually to complete. Review this section and the calculations in your Cost Proposal carefully. Mathematical errors may be corrected by SIB. **Do not make any modifications to the Cost Proposal form, including the 175 total annual hours.** The cost proposal shall:

- Follow the template outlined in Attachment 3 – Cost Proposal, completing all of the cost proposal forms listed below:
  - Cost Proposal Detail (Year One)
  - Cost Proposal Detail (Year Two)
  - Cost Proposal Detail (Year Three – Potential Extension Year)
- **Assume a total of 175 hours of staff work (including subcontractor staff work) per year.** Estimate the number of hours out of the 175 each level of staff who will be assigned to the contract will work. Note that the total number of hours for identified staff must equal 175 per year.
- Identify and include an hourly rate for each level of staff who will be assigned to work on the services outlined in this RFP. The hourly rates identified will be utilized in the contract awarded to the winning bidder for reimbursement for services performed. **All-inclusive flat fees and/or retainer fees will not be accepted for consideration.**

Proposals submitted with a cost proposal that fails to meet any of the specified requirements outlined above, or in a form other than as provided for in Attachment 3, will be considered non-responsive and rejected.

The following formula shall be used for the award of points in this section:

Lowest cost proposal, based on the estimated Total Cost for Three Year Contract Term (two years and potential one-year extension) from Attachment 3, is awarded the maximum cost points. Other proposals are awarded cost points based on the following calculation:

$$(\text{Lowest Bidder's cost proposal} / \text{Other Bidder's cost proposal}) = (\text{factor})$$

$$\text{Cost points for other Bidder} = (\text{factor}) \times \text{maximum cost points}$$

EXAMPLE: A maximum of 30 points is available.

Lowest Bidder's Cost Proposal = \$40,000  
 Other Bidder's Cost Proposal = \$50,000

$$(\text{Lowest Bidder's cost proposal} / \text{Other Bidder's cost proposal}) = \\ \$40,000 / \$50,000 = 4/5$$

$$\text{Cost points awarded to Other Bidder} = 4/5 \times 30 \text{ maximum points} = 24 \text{ cost points}$$

#### 4) Submission of Proposals

- a) Proposals should provide straightforward and concise descriptions of the Bidder's ability to satisfy the requirements of this RFP. The proposal must be complete and accurate. Omissions, inaccuracies, or misstatements may be cause for rejection of a proposal.
- b) All proposals must be submitted under sealed cover and received by SIB by 4:00 pm PT on July 14, 2021, unless SIB provides notice that the date has been changed. **Proposals received after this date and time will not be considered.** Proposals received by fax or email will be rejected.
- c) A minimum of one (1) unbound original and five (5) copies of the proposal must be submitted.
- d) The original proposal must be marked "**ORIGINAL COPY**". All documents contained in the original proposal package must have **original signatures** and must be signed by a person who is authorized to bind the proposing firm. All additional proposal sets may contain photocopies of the original package.
- e) The proposal envelopes must be plainly marked with the RFP number and title, your firm name and address, and must be marked with "**DO NOT OPEN**", as shown in the following example:

**Request for Proposals No. SIB05-20**  
**Audit Services**  
**Firm Name**  
**Firm Address**  
**Contact Person and Phone Number**  
**"DO NOT OPEN"**

If the proposal is made under a fictitious name or business title, the actual legal name of Bidder must be provided.

Proposals not submitted under sealed cover and marked as indicated may be rejected.

- f) Proposals that omit the Minimum Qualifications Certification that is included in Attachment 5 of Section F will not be considered. Proposals shall include each of the attachments (if applicable) on the Required Attachment Checklist in Section F. Proposals that do not comply with the requirements of the RFP shall be deemed non-responsive. A non-responsive proposal is one that does not meet the basic proposal requirements and will be rejected.
- g) One (1) unbound original and five (5) copies of the proposal shall be mailed or delivered to the following address:

**ScholarShare Investment Board**  
**915 Capitol Mall, Room 590**  
**Sacramento, California 95814**  
**Attention: Stanley Zeto**  
**Phone: (916) 651-6380**

- h) Proposals must be submitted for the performance of all the services described herein. Any deviation from the work specifications will not be considered and will cause a proposal to be rejected.
- i) A proposal may be rejected if it is conditional or incomplete, or if it contains any alterations of form or other irregularities of any kind. SIB may reject any or all proposals and may waive an immaterial deviation in a proposal. SIB's waiver of an immaterial deviation shall in no way modify the RFP document or excuse the Bidder from full compliance with all requirements if awarded the agreement.

- j) The Bidder is entirely responsible for the costs of developing proposals and costs incurred in anticipation of award of the agreement. Such costs shall not be charged to SIB.
- k) An individual who is authorized to bind the proposing firm contractually shall sign Required Attachment 2, Proposal/Proposer Certification Sheet. The signature must indicate the title or position that the individual holds in the firm. An unsigned proposal may be rejected.
- l) A Bidder may modify a proposal after its submission by withdrawing its original proposal and resubmitting a new proposal prior to the proposal submission deadline as set forth in the Schedule (Key Action Dates) in Section C(1). The submission of a new proposal must comply with the requirements of this section. Proposal modifications offered in any other manner, oral or written, will not be considered.
- m) A Bidder may withdraw its proposal by submitting a written withdrawal request to SIB, signed by the Bidder or an authorized agent in accordance with Section C(4)(l). A Bidder may thereafter submit a new proposal prior to the proposal submission deadline. Proposals may not be withdrawn without cause subsequent to the proposal submission deadline.
- n) SIB may modify this RFP prior to the date fixed for submission of proposals by the issuance of an addendum. SIB will also post updates online at <http://treasurer.ca.gov/scholarshare/> and <https://caleprocure.ca.gov>.
- o) Upon announcement and release of this RFP and until selection of the winning Bidder (and notice of intent to award the agreement), Bidders (or potential Bidders) are not permitted to communicate with SIB staff or its consultants with respect to the RFP except in connection with process and procedures related to the RFP. Any communication must be directed to Stanley Zeto at [scholarshare@treasurer.ca.gov](mailto:scholarshare@treasurer.ca.gov).
- p) SIB reserves the right to reject all proposals. SIB is not required to award an agreement.
- q) Bidders are cautioned against relying on SIB to discover and report any defects or errors in submitted documents to the Bidder. Before submitting a response to this RFP, Bidders should carefully review the response, correct all errors and confirm compliance with the RFP requirements.
- r) Where applicable, Bidder should carefully examine work sites and specifications. No additions or increases to the agreement amount will be made due to a lack of careful examination of work sites and specifications.
- s) More than one proposal from any firm, organization, partnership, corporation or association under the same or different names, will not be considered. Reasonable grounds for believing that any Bidder has submitted more than one proposal for the work contemplated herein will cause the rejection of all proposals submitted by that Bidder. If there is reason for believing that collusion exists among the Bidders, none of the participants in such collusion will be considered in this or future procurements.
- t) No oral understanding or agreement shall be binding on either party.

## 5) Evaluation Process

- a) All proposals will be reviewed by an evaluation committee. The initial review of the proposals will confirm that all information has been submitted in conformity with the requirements of this RFP. The absence of required information will cause a proposal to be deemed non-responsive and may result in the proposal's disqualification. Responsive proposals will then be scored according to criteria herein. The scored categories and the corresponding weighting of each scored category is as follows:

<b>Scored Category</b>	<b>Weighting</b>
Qualifications and Experience of the Firm	35 points
Qualifications and Experience of Personnel	35 points
Cost	30 points
<b>Total Possible Points</b>	<b>100 points</b>

The evaluation committee will allot points for each scored category of the RFP, up to 100 points. The responsive and responsible Bidder earning the highest total score will be announced as the winner.

- b) The following point scale will be used to score the responses to the questions presented under each of the scored category except with regards to costs.

Percent of Maximum Score Allotted to Category

- 100% - Excellent response backed by demonstrated ability.
- 90% - Very good response backed by demonstrated ability.
- 80%- Good response backed by demonstrated ability.
- 70%- Fair response backed by demonstrated ability.
- 60%- Poor response.
- 0% - Bidder does not demonstrate ability.

- c) Proposals that contain false or misleading statements, or that provide references which do not support an attribute or condition claimed by the Bidder, may be rejected. If, in the opinion of SIB, such information was intended to mislead SIB in its evaluation of the proposal, and the attribute, condition, or capability is a requirement of this RFP, it will be the basis for rejection of the proposal.
- d) The contract will be awarded to the responsive and responsible Bidder earning the highest score.

Tiebreaker - In the event two (2) or more responsive and responsible Bidders earn the highest score, the contract will be awarded to the responsive and responsible Bidder earning the higher score in Qualifications and Experience of Firm. If the scores for Qualifications and Experience of Firm are the same, the contract will be awarded to the responsive and responsible Bidder earning the higher score in Qualifications and Experience of Personnel. If the scores in Qualifications and Experience of Personnel are the same, the contract will be awarded to the responsive and responsible Bidder earning the higher score for Cost.

- e) SIB is not required to award an Agreement.

**6) Award and Protest**

- a) Notice of the proposed award shall be posted in a public place at the State Treasurer’s Office, 915 Capitol Mall, Sacramento, CA 95814, for five (5) working days prior to awarding the agreement. The notice will be posted at the entrance to Room 590 and online at [www.treasurer.ca.gov/scholarshare](http://www.treasurer.ca.gov/scholarshare).
- b) If any Bidder, prior to the award of agreement, files a protest with SIB and the DGS Office of Legal Services, 707 Third Street, 7<sup>th</sup> Floor, Suite 7-330, West Sacramento, CA 95605, on the grounds that the (protesting) Bidder would have been awarded the contract had the agency correctly applied the evaluation standard in the RFP, or if the agency followed the evaluation and scoring methods in the RFP, the agreement shall not be awarded until either the protest has been withdrawn or DGS has decided the matter. It is suggested that you submit any protest by certified or registered mail.
- c) Within five (5) days after filing the initial protest, the protesting Bidder shall file with the DGS Office of Legal Services, and SIB a full and complete written statement specifying the grounds for the protest. It is suggested that this complete written statement be submitted by certified or registered mail.

**7) Disposition of Proposals**

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

**8) Agreement Execution and Performance**

- a) Performance shall start not later than 30 days, or on the express date set by the awarding agency and the Contractor, after all approvals have been obtained and the agreement is fully executed. If the Contractor fails to commence work at the agreed upon time, the awarding agency, upon five (5) days written notice to the Contractor, reserves the right to terminate the agreement. In addition, the Contractor shall be liable to the State for the difference between Contractor's proposal price and the actual cost of performing work by another contractor.
- b) All performance under the agreement shall be completed on or before the termination date of the agreement.

**D) California Disabled Veteran Business Enterprise****1) Disabled Veteran Business Enterprise (DVBE) Participation (OPTIONAL) –**

<https://www.dgs.ca.gov/PD/Services/Page-Content/Procurement-Division-Services-List-Folder/Certify-or-Re-apply-as-Small-Business-Disabled-Veteran-Business-Enterprise>

This solicitation provides an incentive for DVBE participation. Attachment 6 outlines the DVBE Incentive Program. Bidders seeking the DVBE incentive must submit a completed Bidder Declaration (GSPD-05-105) that demonstrates DVBE participation and qualification for a DVBE incentive, with bid submittal. Bidders who have been certified by California as a DVBE must also complete and submit the DVBE Declarations, STD. 843. All disabled veteran owners and disabled veteran managers of the DVBE(s) must sign the form(s). The DVBE Incentive participation is optional and at the discretion of the proposing firm.

**E) Preference Programs****1) Small Business or Microbusiness Preference - <https://www.dgs.ca.gov/PD/Services/Page-Content/Procurement-Division-Services-List-Folder/Certify-or-Re-apply-as-Small-Business-Disabled-Veteran-Business-Enterprise>**

A five percent (5%) preference will be applied to certified small business firms submitting proposals. To obtain the preference, firms must either be certified as a small business at the time the bid is submitted. The firm MUST include an updated copy of their Small Business Certificate to obtain the preference. The 5% preference is issued only for computation purposes to arrive at the successful firm(s), and does not alter the amount of the actual bids. Once each bid has been scored, if the highest responsible firm is not a certified small business or microbusiness, 5% of the highest scoring bid is added to the total "earned" points for each bid submitted by a certified small business. These final numbers, with the 5% included, are then used to determine the highest scoring bid. Questions regarding the small business certification or preference approval should be directed to the Office of Small Business & DVBE Services (OSDS) at (916) 375-4940 or can be found at the website listed above.

2) **Non-Small Business Preference** – <https://www.dgs.ca.gov/PD/Services/Page-Content/Procurement-Division-Services-List-Folder/Certify-or-Re-apply-as-Small-Business-Disabled-Veteran-Business-Enterprise>

A five percent (5%) preference is available to a non-small business claiming twenty-five percent (25%) California certified small business subcontractor participation. If claiming the non-small business subcontractor preference, the bid response must include a list of the small business(es) with which the firm commits to subcontract in an amount of at least 25% of the net bid price with one or more California certified small businesses. Each listed certified small business must perform a “commercially useful function” in the performance of the contract as defined in Government Code Section 14837(d)(4). The required list of California small business subcontractors must be attached to the bid response and must include the following: 1) subcontractor name, 2) address, 3) phone number, 4) a description of the work to be performed and/or products supplied; and 5) the dollar amount or percentage of the net bid price (as specified in the solicitation) per subcontractor.

Firms claiming the 5% preference must commit to subcontract for at least 25% of the net bid price with one or more California certified small businesses. Completed certification application required support documents must be submitted to the OSDS no later than 5:00 p.m. PT on the bid due date, and the OSDS must be able to approve the application as submitted. Questions regarding certification should be directed to the OSDS at (916) 375-4940. The preference to a non-small business firm that commits to small business or microbusiness subcontractor participation of 25% of its net bid price shall be 5% of either the lowest, responsive, responsible firm's price or the highest response, responsible firm's total score. A non-small business, which qualifies for this preference, may not take an award away from a certified small business.

**F) Required Attachments**

Refer to the following pages for additional Required Attachments.

## ATTACHMENT 1

### REQUIRED ATTACHMENT CHECKLIST

Complete this checklist to confirm the attachments. Place a check mark or "X" next to each item that you are submitting to the State. **For your proposal to be responsive, each of the following required attachments must be submitted with your proposal package.**

This checklist should be returned with your proposal package.

<u>Attachment</u>	<u>Attachment Name/Description</u>
_____ Attachment 1	Required Attachment Check List
_____ Attachment 2	Proposal/Proposer Certification Sheet
_____ Attachment 3	Cost Proposal Work Sheet
_____ Attachment 4	Bidder References
_____ Attachment 5	Minimum Qualifications Certification
_____ Attachment 6	California Disabled Veteran Business Enterprise (DVBE) Participation Program Instructions (if applicable)*
_____ Attachment 7	Payee Data Record (STD. 204)
_____ Attachment 8	Bidder Declaration Form (GSPD-05-105)
_____ Attachment 9	Contractor Certification Clauses (CCC 04/2017)
_____ Attachment 10	Darfur Contracting Act Certification Form
_____ Attachment 11	Evidence of Qualification to do Business in the State of California
_____ Attachment 12	Small Business or Microbusiness Preference (if applicable)
_____ Attachment 13	Non-Small Business Preference (if applicable)
_____ Attachment 14	Resumes of Key Personnel

\*DVBE Participation is not required for this solicitation; however a DVBE incentive will be applied as provided in Attachment 6.

**ATTACHMENT 2**

**PROPOSAL/PROPOSER CERTIFICATION SHEET**

This Proposal/Proposer Certification Sheet must be signed and returned along with all the "required attachments" as an entire package with original signatures. The proposal must be transmitted in a sealed envelope in accordance with RFP instructions.

- A. Place all required attachments behind this certification sheet.
- B. The signature affixed hereon and dated certifies compliance with all the requirements of this proposal document. The signature below authorizes the verification of this certification.
- C. The signature below certifies to the best of your knowledge that the information provided on this document is true and complete.

**An Unsigned Proposal/Proposer Certification Sheet May Be Cause For Rejection**

1. Company Name	2. Telephone Number (   )	2a. Fax Number (   )
3. Address		
Indicate your organization type:		
4. <input type="checkbox"/> Sole Proprietorship	5. <input type="checkbox"/> Partnership	6. <input type="checkbox"/> Corporation
Indicate the applicable employee and/or corporation number:		
7. Federal Employee ID No. (FEIN)	8. California Corporation No.	
9. Indicate applicable license and/or certification information:		
10. Proposer's Name (Print)	11. Title	
12. <b>Signature</b>	13. Date	
14. Are you certified with the Department of General Services, Office of Small Business Certification and Resources (OSBCR) as:		
a. California Small Business Yes <input type="checkbox"/> No <input type="checkbox"/> If yes, enter certification number: _____	b. Disabled Veteran Business Enterprise Yes <input type="checkbox"/> No <input type="checkbox"/> If yes, enter your service code below: _____	
<b>NOTE:</b> A copy of your Certification is required to be included if either of the above items is checked "Yes".		
Date application was submitted to OSBCR, if an application is pending:		

### Completion Instructions for Proposal/Proposer Certification Sheet

Complete the numbered items on the Proposal/Proposer Certification Sheet by following the instructions below.

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

**ATTACHMENT 3**

**COST PROPOSAL**

All specifications outlined in Section C(3)(b)(iv) of the RFP shall be met or the Bidder's proposal will be considered **non-responsive and rejected**.

Do not make any modifications to these Cost Proposal forms, including the **175 total annual hours**.

See Section C(3)(b)(iv) of the RFP for more details. Review the RFP and the calculations in this Cost Proposal carefully. Mathematical errors may be corrected by SIB.

***Total Cost for Three-Year Contract Term shall be the sum of the "Total Annual Cost" for Year One, Year Two and Year Three, and shall not exceed \$75,000 for the potential three-year contract term.***

## Cost Proposal Detail

### YEAR ONE

DIRECT LABOR (Staff Level/Title)	HOURS <sup>1</sup>	MULTIPLY	HOURLY RATE	EQUALS	YEAR ONE TOTAL <sup>2</sup>	
		X	\$	=	\$	
		X	\$	=	\$	
		X	\$	=	\$	
		X	\$	=	\$	
		X	\$	=	\$	
<i>TOTAL DIRECT LABOR</i>	<b>175</b>				<i>TOTAL DIRECT LABOR COSTS</i>	\$ (A)
<b>TRAVEL COSTS</b>					<b>TOTAL</b>	
Travel Costs					\$	
					<i>TOTAL TRAVEL COSTS</i>	\$ (B)
<b>DIRECT COSTS (EXCEPT LABOR)</b>					<b>TOTAL</b>	
Direct Costs (Itemized)					\$	
					<i>TOTAL DIRECT COSTS (EXCEPT LABOR)</i>	\$ (C)
					<b><i>TOTAL ANNUAL COST FOR YEAR ONE</i></b> <sup>3</sup>	\$

<sup>1</sup> Total shall be calculated assuming 175 hours of services provided by all levels of staff (including subcontractors) for year one.

<sup>2</sup> Total shall be calculated by multiplying the number of hours per year by hourly rate for each level of staff (including subcontractors).

<sup>3</sup> Total shall be the sum of the totals for A-C.

## Cost Proposal Detail

### YEAR TWO

DIRECT LABOR (Staff Level/Title)	HOURS <sup>1</sup>	MULTIPLY	HOURLY RATE	EQUALS	YEAR TWO TOTAL <sup>2</sup>	
		X	\$	=	\$	
		X	\$	=	\$	
		X	\$	=	\$	
		X	\$	=	\$	
		X	\$	=	\$	
<i>TOTAL DIRECT LABOR</i>	<b>175</b>				<i>TOTAL DIRECT LABOR COSTS</i>	\$ (A)
<b>TRAVEL COSTS</b>					<b>TOTAL</b>	
Travel Costs					\$	
					<i>TOTAL TRAVEL COSTS</i>	\$ (B)
<b>DIRECT COSTS (EXCEPT LABOR)</b>					<b>TOTAL</b>	
Direct Costs (Itemized)					\$	
					<i>TOTAL DIRECT COSTS (EXCEPT LABOR)</i>	\$ (C)
					<b><i>TOTAL ANNUAL COST FOR YEAR TWO</i></b> <sup>3</sup>	\$

<sup>1</sup> Total shall be calculated assuming 175 hours of services provided by all levels of staff (including subcontractors) for year two.

<sup>2</sup> Total shall be calculated by multiplying the number of hours per year by hourly rate for each level of staff (including subcontractors).

<sup>3</sup> Total shall be the sum of the totals for A-C.

**Cost Proposal Detail**

**YEAR THREE – POTENTIAL EXTENSION YEAR**

DIRECT LABOR (Staff Level/Title)	HOURS <sup>1</sup>	MULTIPLY	HOURLY RATE	EQUALS	POTENTIAL YEAR THREE TOTAL <sup>2</sup>	<b><u>POTENTIAL YEAR THREE TOTALS</u></b>	
		X	\$	=	\$		
		X	\$	=	\$		
		X	\$	=	\$		
		X	\$	=	\$		
		X	\$	=	\$		
<i>TOTAL DIRECT LABOR</i>	<b>175</b>	<i>TOTAL DIRECT LABOR COSTS</i>				\$	(A)
<b>TRAVEL COSTS</b>					<b>TOTAL</b>		
Travel Costs					\$		
					<i>TOTAL TRAVEL COSTS</i>	\$	(B)
<b>DIRECT COSTS (EXCEPT LABOR)</b>					<b>TOTAL</b>		
Direct Costs (Itemized)					\$		
					<i>TOTAL DIRECT COSTS (EXCEPT LABOR)</i>	\$	(C)
					<i>TOTAL ANNUAL COST FOR</i>	\$	
					<b><i>POTENTIAL YEAR THREE EXTENSION</i></b> <sup>3</sup>		

<sup>1</sup> Total shall be calculated assuming 175 hours of services provided by all levels of staff (including subcontractors) for the potential year three extension.

<sup>2</sup> Total shall be calculated by multiplying the number of hours per year by hourly rate for each level of staff (including subcontractors).

<sup>3</sup> Total shall be the sum of the totals for A-C.

**ATTACHMENT 4**

**BIDDER REFERENCES**

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

List below five references for services performed within the last five years, which are similar to the scope of work to be performed in this contract. If five references cannot be provided, provide an explanation on an attached sheet of paper.

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

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

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

<b>REFERENCE 4</b>			
Name of Firm			
Street Address	City	State	Zip Code
Contact Person		Telephone Number	
Dates of Service		Value or Cost of Service*	
Brief Description of Service Provided			

\*Optional

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**REFERENCE 5**

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Name of Firm			
Street Address	City	State	Zip Code
Contact Person		Telephone Number	
Dates of Service		Value or Cost of Service*	

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Brief Description of Service Provided

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SUBCONTRACTOR REFERENCES (if applicable)

List below three references for services performed by your subcontractor(s) within the last five years, which are similar to the scope of work to be performed in this contract. If three references cannot be provided, provide an explanation on an attached sheet of paper.

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**REFERENCE 1**

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Name of Firm			
Street Address	City	State	Zip Code
Contact Person		Telephone Number	
Dates of Service		Value or Cost of Service*	

---

Brief Description of Service Provided

---

---

**REFERENCE 2**

---

Name of Firm			
Street Address	City	State	Zip Code
Contact Person		Telephone Number	
Dates of Service		Value or Cost of Service*	

---

Brief Description of Service Provided

---

---

**REFERENCE 3**

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Name of Firm			
Street Address	City	State	Zip Code
Contact Person		Telephone Number	
Dates of Service		Value or Cost of Service*	

---

Brief Description of Service Provided

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\*Optional

**ATTACHMENT 5**

**MINIMUM QUALIFICATIONS CERTIFICATION**

The firm certifies that it fulfills all of the minimum qualifications outlined in Section B of Request for Proposals No. SIB05-20 (the "RFP"). By signing this attachment, the firm also agrees to notify the ScholarShare Investment Board (SIB) immediately upon its failure to continue to meet the minimum qualifications, if selected as the auditor for SIB.

On behalf of \_\_\_\_\_, I certify that said firm  
(Firm Name)  
complies with the Minimum Qualifications set forth in Section B of the RFP.

\_\_\_\_\_  
(Authorized Signature of Firm)

\_\_\_\_\_  
(Firm Name)

\_\_\_\_\_  
(Print Name)

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Title)

## ATTACHMENT 6

### CALIFORNIA DISABLED VETERAN BUSINESS ENTERPRISE (DVBE) PARTICIPATION GOAL PROGRAM INSTRUCTIONS

**DVBE PARTICIPATION REQUIREMENT.** The Disabled Veteran Business Enterprise (DVBE) Participation Goal Program for State contracts is established in Public Contract Code (PCC) section 10115 et seq., Military and Veterans Code (MVC) section 999 et seq., and California Code of Regulations (CCR), title 2, section 1896.60 et seq. **This solicitation DOES NOT include a minimum DVBE participation requirement. DVBE participation is NOT required in the bid or proposal. However, a DVBE incentive will be applied as provided below.**

**DVBE INCENTIVE.** The State will apply a DVBE incentive for responsive bids or proposals (herein “bid” or “bids”) from responsible bidders that propose DVBE participation. The DVBE incentive will vary in relation to the percentage of confirmed DVBE participation. The following percentages shall apply.

<b>Confirmed DVBE Participation of</b>	<b>DVBE Incentive</b>
5% and above	5%
4% to 4.99% inclusive	4%
3% to 3.99% inclusive	3%
2% to 2.99% inclusive	2%
1% to 1.99% inclusive	1%

As applicable:

(1) Awards based on low price – The DVBE incentive is applied by reducing the bid price by the amount of DVBE incentive as computed from the lowest responsive bid price submitted by a responsible bidder. The DVBE incentive is for evaluation purposes only. Application of the DVBE incentive shall not displace an award to a small business with a non-small business.

(2) Awards based on high score – The DVBE incentive is a percentage of the total possible available points, not including points for socioeconomic incentives or preferences. The DVBE incentive points are included in the sum of non-cost points. The DVBE incentive points cannot be used to achieve any applicable minimum point requirements.

Bidders who have been certified by California as a DVBE (or who are bidding rental equipment and have obtained the participation of subcontractors certified by California as a DVBE) must also submit a completed form **STD. 843 (Disabled Veteran Business Enterprise Declaration)**. All disabled veteran owners and disabled veteran managers of the DVBE(s) must sign the form(s). Should the form not be included with the solicitation, contact the State contracting official or obtain a copy at the following website: [https://www.documents.dgs.ca.gov/dgs/fmc/gs/pd/pd\\_843.pdf](https://www.documents.dgs.ca.gov/dgs/fmc/gs/pd/pd_843.pdf). The completed form should be included with the bid response.

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

## RESOURCES AND INFORMATION\*

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**U.S. Small Business Administration:**

Central Contractor Registration on-line database  
<https://uscontractorregistration.com/>

**FOR:**

Service-Disabled Veteran-Owned  
Businesses in California

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**Local Organizations:**

DVBE local contacts  
<https://www.dgs.ca.gov/PD/Services/Page-Content/Procurement-Division-Services-List-Folder/Certify-or-Re-apply-as-Small-Business-Disabled-Veteran-Business-Enterprise>

**FOR:**

List of Potential DVBE Subcontractors

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**Department of General Services, Procurement Division (DGS-PD) eProcurement:**

Website: <https://caleprocure.ca.gov/>  
Phone: (916) 375-2000  
Email: [eprocure@dgs.ca.gov](mailto:eprocure@dgs.ca.gov)

**FOR:**

- SB/DVBE Search
- CSCR Advertisements
- Training Modules

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**DGS-PD Office of Small Business and DVBE Services (OSDS):**

707 Third Street, Room 1-400, West Sacramento, CA 95605  
Website: <https://www.dgs.ca.gov/PD/Services/Page-Content/Procurement-Division-Services-List-Folder/Certify-or-Re-apply-as-Small-Business-Disabled-Veteran-Business-Enterprise>  
OSDS Receptionist: (916) 375-4940  
PD Receptionist: (800) 559-5529  
Fax: (916) 375-4950  
Email: [osdchelp@dgs.ca.gov](mailto:osdchelp@dgs.ca.gov)

**FOR:**

- Directory of OSDS Certified DVBEs
- Certification Applications
- Certification Information
- Certification Status, Concerns
- General DVBE Program Information
- DVBE Business Utilization Plan
- SB/DVBE Advocates
- Lists of Trade and Focus Publications

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**Commercially Useful Function Definition**

Military and Veterans Code section 999(b)  
California Code of Regulations, title 2, section 1896.62(f)

**ATTACHMENT 7**

**PAYEE DATA RECORD (STD. 204)**

All bidders must complete the Payee Data Record (STD. 204) and include it with the bid response. The Payee Data Record form can be accessed from the following link:

<https://www.documents.dgs.ca.gov/dgs/FMC/PDF/Std204.pdf>

## **ATTACHMENT 8**

### **BIDDER DECLARATION (GSPD-05-105)**

All bidders must complete the **Bidder Declaration (GSPD-05-105)** and include it with the bid response. When completing the declaration, bidders must identify all subcontractors proposed for participation in the contract. Bidders awarded a contract are contractually obligated to use the subcontractors for the corresponding work identified unless the State agrees to a substitution and it is incorporated by amendment to the contract. The Bidder Declaration (GSPD-05-105) can be accessed from the following link:

<https://www.documents.dgs.ca.gov/dgs/fmc/gsp/pd/gspd05-105.pdf>

**ATTACHMENT 9**

**CERTIFICATION**

I, the official named below, CERTIFY UNDER PENALTY OF PERJURY that I am duly authorized to legally bind the prospective Contractor to the clause(s) listed below. This certification is made under the laws of the State of California.

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

**CONTRACTOR CERTIFICATION CLAUSES**

1. STATEMENT OF COMPLIANCE: Contractor has, unless exempted, complied with the nondiscrimination program requirements. (Gov. Code §12990 (a-f) and CCR, Title 2, Section 11102) (Not applicable to public entities.)

2. DRUG-FREE WORKPLACE REQUIREMENTS: Contractor will comply with the requirements of the Drug-Free Workplace Act of 1990 and will provide a drug-free workplace by taking the following actions:

a. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.

b. Establish a Drug-Free Awareness Program to inform employees about:

- 1) the dangers of drug abuse in the workplace;
- 2) the person's or organization's policy of maintaining a drug-free workplace;
- 3) any available counseling, rehabilitation and employee assistance programs; and,
- 4) penalties that may be imposed upon employees for drug abuse violations.

c. Every employee who works on the proposed Agreement will:

- 1) receive a copy of the company's drug-free workplace policy statement; and,
- 2) agree to abide by the terms of the company's statement as a condition of employment on the Agreement.

Failure to comply with these requirements may result in suspension of payments under the Agreement or termination of the Agreement or both and Contractor may be ineligible for award of any future State agreements if the department determines that any of the following has occurred: the Contractor has made false certification, or violated the certification by failing to carry out the requirements as noted above. (Gov. Code §8350 et seq.)

3. NATIONAL LABOR RELATIONS BOARD CERTIFICATION: Contractor certifies that no more than one (1) final unappealable finding of contempt of court by a Federal court has been issued against Contractor within the immediately preceding two-year period because of Contractor's failure to comply with an order of a Federal court, which orders Contractor to comply with an order of the National Labor Relations Board. (Pub. Contract Code §10296) (Not applicable to public entities.)

4. CONTRACTS FOR LEGAL SERVICES \$50,000 OR MORE- PRO BONO REQUIREMENT: Contractor hereby certifies that Contractor will comply with the requirements of Section 6072 of the Business and Professions Code, effective January 1, 2003.

Contractor agrees to make a good faith effort to provide a minimum number of hours of pro bono legal services during each year of the contract equal to the lesser of 30 multiplied by the number of full time attorneys in the firm's offices in the State, with the number of hours prorated on an actual day basis for any contract period of less than a full year or 10% of its contract with the State.

Failure to make a good faith effort may be cause for non-renewal of a state contract for legal services, and may be taken into account when determining the award of future contracts with the State for legal services.

5. EXPATRIATE CORPORATIONS: Contractor hereby declares that it is not an expatriate corporation or subsidiary of an expatriate corporation within the meaning of Public Contract Code Section 10286 and 10286.1, and is eligible to contract with the State of California.

6. SWEATFREE CODE OF CONDUCT:

a. All Contractors contracting for the procurement or laundering of apparel, garments or corresponding accessories, or the procurement of equipment, materials, or supplies, other than procurement related to a public works contract, declare under penalty of perjury that no apparel, garments or corresponding accessories, equipment, materials, or supplies furnished to the state pursuant to the contract have been laundered or produced in whole or in part by sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor, or with the benefit of sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor. The contractor further declares under penalty of perjury that they adhere to the Sweatfree Code of Conduct as set forth on the California Department of Industrial Relations website located at [www.dir.ca.gov](http://www.dir.ca.gov), and Public Contract Code Section 6108.

b. The contractor agrees to cooperate fully in providing reasonable access to the contractor's records, documents, agents or employees, or premises if reasonably required by authorized officials of the contracting agency, the Department of Industrial Relations, or the Department of Justice to determine the contractor's compliance with the requirements under paragraph (a).

7. DOMESTIC PARTNERS: For contracts of \$100,000 or more, Contractor certifies that Contractor is in compliance with Public Contract Code section 10295.3.

8. GENDER IDENTITY: For contracts of \$100,000 or more, Contractor certifies that Contractor is in compliance with Public Contract Code section 10295.35.

### **DOING BUSINESS WITH THE STATE OF CALIFORNIA**

The following laws apply to persons or entities doing business with the State of California.

1. CONFLICT OF INTEREST: Contractor needs to be aware of the following provisions regarding current or former state employees. If Contractor has any questions on the status of any person rendering services or involved with the Agreement, the awarding agency must be contacted immediately for clarification.

Current State Employees (Pub. Contract Code §10410):

- 1). No officer or employee shall engage in any employment, activity or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any state agency, unless the employment, activity or enterprise is required as a condition of regular state employment.
- 2). No officer or employee shall contract on his or her own behalf as an independent contractor with any state agency to provide goods or services.

Former State Employees (Pub. Contract Code §10411):

- 1). For the two-year period from the date he or she left state employment, no former state officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements or any part of the decision-making process relevant to the contract while employed in any capacity by any state agency.
- 2). For the twelve-month period from the date he or she left state employment, no former state officer or employee may enter into a contract with any state agency if he or she was employed by that state agency in a policy-making position in the same general subject area as the proposed contract within the 12-month period prior to his or her leaving state service.

If Contractor violates any provisions of above paragraphs, such action by Contractor shall render this Agreement void. (Pub. Contract Code §10420)

Members of boards and commissions are exempt from this section if they do not receive payment other than payment of each meeting of the board or commission, payment for preparatory time and payment for per diem. (Pub. Contract Code §10430 (e))

2. LABOR CODE/WORKERS' COMPENSATION: Contractor needs to be aware of the provisions which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions, and Contractor affirms to comply with such provisions before commencing the performance of the work of this Agreement. (Labor Code Section 3700)

3. AMERICANS WITH DISABILITIES ACT: Contractor assures the State that it complies with the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA. (42 U.S.C. 12101 et seq.)

4. CONTRACTOR NAME CHANGE: An amendment is required to change the Contractor's name as listed on this Agreement. Upon receipt of legal documentation of the name change the State will process the amendment. Payment of invoices presented with a new name cannot be paid prior to approval of said amendment.

5. CORPORATE QUALIFICATIONS TO DO BUSINESS IN CALIFORNIA:

a. When agreements are to be performed in the state by corporations, the contracting agencies will be verifying that the contractor is currently qualified to do business in California in order to ensure that all obligations due to the state are fulfilled.

b. "Doing business" is defined in R&TC Section 23101 as actively engaging in any transaction for the purpose of financial or pecuniary gain or profit. Although there are some statutory exceptions to taxation, rarely will a corporate contractor performing within the state not be subject to the franchise tax.

c. Both domestic and foreign corporations (those incorporated outside of California) must be in good standing in order to be qualified to do business in California. Agencies will determine whether a corporation is in good standing by calling the Office of the Secretary of State.

6. RESOLUTION: A county, city, district, or other local public body must provide the State with a copy of a resolution, order, motion, or ordinance of the local governing body which by law has authority to enter into an agreement, authorizing execution of the agreement.

7. AIR OR WATER POLLUTION VIOLATION: Under the State laws, the Contractor shall not be: (1) in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district; (2) subject to cease and desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of federal law relating to air or water pollution.

8. PAYEE DATA RECORD FORM STD. 204: This form must be completed by all contractors that are not another state agency or other governmental entity.

**ATTACHMENT 10**

**DARFUR CONTRACTING ACT CERTIFICATION**

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

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

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

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

**OR**

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

**OR**

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

**CERTIFICATION For # 3.**

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

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

## **ATTACHMENT 11**

### **EVIDENCE OF QUALIFICATION TO DO BUSINESS IN THE STATE OF CALIFORNIA**

Bidder and any subcontractor identified in the proposal must be qualified to do business in the State of California. Bidder must submit evidence demonstrating compliance with this requirement with its proposal.

Include a copy of the proposer's evidence of qualification as Attachment 11, which may include current documentation from the California Secretary of State.

**ATTACHMENTS 12 & 13**

**PREFERENCE PROGRAMS (IF APPLICABLE)**

Attach proof in claiming Small Business or Microbusiness Preference, Non-Small Business Preference, if applicable.

**Small Business or Microbusiness Preference**

[https://www.dgs.ca.gov/PD/Resources/Page-Content/Procurement-Division-Resources-List-Folder/Small Business and Disabled Veteran Business Enterprise Best Practices](https://www.dgs.ca.gov/PD/Resources/Page-Content/Procurement-Division-Resources-List-Folder/Small_Business_and_Disabled_Veteran_Business_Enterprise_Best_Practices)

**Non-Small Business Preference**

[https://www.dgs.ca.gov/PD/Resources/Page-Content/Procurement-Division-Resources-List-Folder/Small Business and Disabled Veteran Business Enterprise Best Practices](https://www.dgs.ca.gov/PD/Resources/Page-Content/Procurement-Division-Resources-List-Folder/Small_Business_and_Disabled_Veteran_Business_Enterprise_Best_Practices)

**ATTACHMENT 14**

**RESUMES OF KEY PERSONNEL**

Name of Firm:
Please attach resumes for each identified key personnel who will be directly involved in providing these services.

Name:	Percent of Effort %
Title:	Office Location:
Phone Number:	Email:
Role:	
How Long in Current Position?	How Long Employed in Current Firm?
Experience:	

Name:	Percent of Effort %
Title:	Office Location:
Phone Number:	Email:
Role:	
How Long in Current Position?	How Long Employed in Current Firm?
Experience:	

**STANDARD AGREEMENT**

AGREEMENT NUMBER

PURCHASING AUTHORITY NUMBER  
(If Applicable)

STD 213 (Rev. 03/2019)

**SAMPLE**

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

CONTRACTING AGENCY NAME

ScholarShare Investment Board

CONTRACTOR NAME

TBD

2. The term of this Agreement is:

START DATE

August 21, 2021 (or upon approval by the Department of General Services, whichever is later)

THROUGH END DATE

June 30, 2023 (plus one optional one-year extension)

3. The maximum amount of this Agreement is:

TBD

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

EXHIBITS	TITLE	PAGES
Exhibit A	Scope of Work	3
Exhibit B	Budget Detail and Payment Provisions	1
Exhibit B-1	Cost Proposal	
Exhibit C*	General Terms and Conditions - GTC 04/2017	1
Exhibit D	Special Terms and Conditions (attached hereto as part of this agreement)	7
Exhibit D-1	Resumes	
	RFP and Contractor's response thereto are incorporated by reference and made a part of this agreement	

*Items shown with an asterisk (\*), are hereby incorporated by reference and made part of this agreement as if attached hereto.**These documents can be viewed at <https://www.dgs.ca.gov/OLS/Resources>***IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO.****CONTRACTOR**

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

TBD

	CITY	STATE	ZIP
PRINTED NAME OF PERSON SIGNING	TITLE		
CONTRACTOR AUTHORIZED SIGNATURE	DATE SIGNED		

**STANDARD AGREEMENT**

STD 213 (Rev. 03/2019)

AGREEMENT NUMBER

**SAMPLE**

PURCHASING AUTHORITY NUMBER (If Applicable)

**STATE OF CALIFORNIA**

CONTRACTING AGENCY NAME ScholarShare Investment Board			
CONTRACTING AGENCY ADDRESS 915 Capitol Mall, Room 590	CITY Sacramento	STATE CA	ZIP 95814
PRINTED NAME OF PERSON SIGNING Julio Martinez	TITLE Executive Director		
CONTRACTING AGENCY AUTHORIZED SIGNATURE	DATE SIGNED		
CALIFORNIA DEPARTMENT OF GENERAL SERVICES APPROVAL	EXEMPTION (If Applicable)		

**EXHIBIT A**  
**(Standard Agreement)**

**SCOPE OF WORK**

1) Scope Overview

The ScholarShare Investment Board (SIB or Board) is the administrator of California's 529 college savings plan, the ScholarShare 529 College Savings Plan, and the upcoming California Kids and Investment and Development Savings Program (CalKIDS). SIB is the State agency responsible for the effective and efficient administration of the Golden State ScholarShare College Savings Trust (Trust).

Section 69989 of the Education Code requires SIB to submit an annual audited financial report, prepared in accordance with generally accepted accounting principles, on the operations of the Trust by October 31 each year.

2) Description of Service

The following scope of work details SIB's expectations for an auditor. These audit services include the following:

- a) Provide to SIB audit and examination services for each of the two program funds, the ScholarShare Administrative Fund and the CalKIDS Fund, as described herein:
  - i. An evaluation of systems of internal control, in accordance with generally accepted auditing standards as set forth in Statements on Auditing Standards, and published by the American Institution of Certified Public Accountants. The audit and examination will be conducted so that the Contractor may render an opinion on the financial statements taken as a whole complying with Rule 58.1 of the State Board of Accountancy in conformity with generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB), and applicable provisions of State law.
  - ii. Contractor will confirm expenses for all program funds.
  - iii. Contractor will treat all information in a confidential manner with all recommendations to be stated only in the audit reports provided to the SIB for appropriate release by SIB as required by law.
- b) Contractor agrees to provide to SIB an audit report for each of the two program funds as described herein:
  - i. Report shall include a statement of the scope of the audit and examination for each program fund; the period covered by the audit and examination; and a list of the financial statements included in the report.
  - ii. Report shall include a statement of material audit findings and recommendations regarding the financial statements, internal control and accounting systems, and legality of actions for each program fund.
  - iii. Audited financial statements in the report shall include a "Statement of Operations," "Statement of Assets and Liabilities" (Balance Sheet), and a "Statement of Cash Flows" for each program fund.
  - iv. Report shall include any other material matter and information.

**EXHIBIT A  
 (Standard Agreement)**

- v. Draft and final versions of the audit reports will be due to SIB staff pursuant to the schedule outlined in the table below:

Audit Report	Fiscal Year Ending	
	June 30, 2021	June 30, 2022
Draft Version	Due September 30, 2021	Due September 27, 2022
Final Version	Due October 14, 2021	Due October 11, 2022

Note: Due dates for the draft and final version of the report for fiscal year ending June 30, 2023 will be provided if the one-year option is renewed.

- vi. The Contractor shall review the proposed reports with SIB staff prior to finalization and presentation to SIB as necessary.
- c) One (1) original and five (5) printed copies of each report shall be prepared and provided to SIB staff with provision for additional copies upon request. An electronic version in PDF shall also be provided to SIB staff.
- 3) The services shall be performed at the offices of the Contractor and at the offices of appropriate affiliates, related entities, subsidiaries and subcontractors; however there will be some mandatory meetings at 915 Capitol Mall, Sacramento, California 95814.
- 4) Contractor shall ensure that the quality and availability of its personnel assigned to this agreement will be maintained over the term of the agreement. To ensure independence and maintain a healthy professional skepticism between the Contractor and SIB, the Board may require the Contractor to rotate either their auditing teams or lead auditors at least once during the term of the agreement. Any changes in assigned personnel are at the discretion of the firm, provided that any replacements have substantially the same as or better qualifications and experience than the original personnel.
- 6) The project representatives during the term of this agreement will be:

State Agency: ScholarShare Investment Board	Contractor: TBD
Name: Julio Martinez	Name:
Phone: 916-651-6380	Phone:
Fax: 916-589-2835	Fax:

Direct all inquiries to:

State Agency ScholarShare Investment Board	Contractor: TBD
Attention: Stanley Zeto	Attention:
Address: 915 Capitol Mall, Room 590 Sacramento, CA 95814	Address:
Phone: 916-651-6381	Phone:
Fax: 916-589-2835	Fax:

**EXHIBIT A**  
**(Standard Agreement)**

7) Agreement Extension

This Agreement may be extended for one additional one-year term, which will be exercisable at the sole discretion of SIB. Amendments to the Agreement must be approved by SIB and the Department of General Services, if required.

If the agreement is extended for one year, all rates will be as stated in Contractor's Cost Proposal for Year Three.

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

**BUDGET DETAIL AND PAYMENT PROVISIONS**

**1. Invoicing and Payment**

- A. For services satisfactorily rendered, and upon receipt and approval of the invoices, the State agrees to compensate the Contractor for actual expenditures incurred in accordance with the rate specified herein, which is attached hereto as Attachment B-1 and made part of this agreement. The rates for necessary traveling expenses and per diem shall be set in accordance with the rates of the California Department of Human Resources (CalHR) for comparable classes and no travel outside the State of California shall be reimbursed unless prior written authorization is obtained from SIB.
- B. Invoices shall include Agreement No. SIB05-20 and shall be submitted not more frequently than monthly in arrears to:

ScholarShare Investment Board  
915 Capitol Mall, Room 590  
Sacramento, CA 95814  
Attention: Julio Martinez

In consideration for the satisfactory completion of the services described herein, SIB agrees to pay Contractor, in arrears, upon receipt of an invoice, for services rendered under this Agreement. The invoice shall be submitted by Contractor in sufficient scope and detail to define the actual work performed and specific milestones completed, including a description of the activities of Contractor and subcontractors and the hours allocated to those activities. The hourly rate for services rendered shall not exceed those as set forth herein or as attached hereto.

**2. Budget Contingency Clause**

- A. It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be of no further force and effect. In this event, the State shall have no liability to pay any funds whatsoever to Contractor or to furnish any other considerations under this Agreement and Contractor shall not be obligated to perform any provisions of this Agreement.
- B. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the State shall have the option to either cancel this Agreement with no liability occurring to the State, or offer an agreement amendment to Contractor to reflect the reduced amount.

**3. Prompt Payment Clause**

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

**EXHIBIT B-1**  
**(Standard Agreement)**

**COST PROPOSAL**

**EXHIBIT C**  
**(Standard Agreement)**

**GENERAL TERMS AND CONDITIONS**

Exhibit C to this Agreement, the General Terms and Conditions (GTC 04/2017), is hereby incorporated by reference and made part of this agreement as if attached hereto. The General Terms and Conditions can be viewed at <https://www.dgs.ca.gov/OLS/Resources/Page-Content/Office-of-Legal-Services-Resources-List-Folder/Standard-Contract-Language>.

**EXHIBIT D**  
**(Standard Agreement)**

**SPECIAL TERMS AND CONDITIONS**

**1. Excise Tax**

The State of California is exempt from federal excise taxes, and no payment will be made for any taxes levied on employees' wages. The State will pay for any applicable State of California or local sales or use taxes on the services rendered or equipment or parts supplied pursuant to this Agreement. California may pay any applicable sales and use tax imposed by another state.

**2. Settlement of Disputes**

In the event of a dispute, Contractor shall file a "Notice of Dispute" with a Deputy Treasurer of the State Treasurer's Office within ten (10) days of discovery of the problem. Within ten (10) days, the Deputy Treasurer shall meet with the representatives of Contractor and the State identified in Section 6 of Exhibit A for purposes of resolving the dispute. The decision of the Deputy Treasurer shall be final.

In the event of a dispute, the language contained within this Agreement shall prevail over any other language including that of any bid proposal.

**3. Evaluation of Contractor**

Pursuant to Public Contract Code sections 10367 and 10369 within sixty (60) days after the completion of this Agreement, the State shall complete a written evaluation of Contractor's performance under this Agreement. If this Agreement is a contract for consultant services and if Contractor did not satisfactorily perform the work, a copy of the evaluation will be sent to the Department of General Services (DGS), Office of Legal Services, and to the Contractor within fifteen (15) working days of the completion of the evaluation in accordance with Public Contract Code section 10371.

**4. No Agency Liability**

The Contractor warrants by execution of this Agreement that no person or selling agency has been employed or retained to solicit or secure this Agreement upon agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business. For breach or violation of this warranty, the State shall, in addition to other remedies provided by law, have the right to annul this Agreement without liability, paying only for the value of the work actually performed, or otherwise recover the full amount of such commission, percentage, brokerage, or contingent fee.

**5. Potential Subcontractors**

Nothing contained in this Agreement or otherwise, shall create any contractual relationship between the State and any subcontractors, and no subcontract shall relieve the Contractor of his responsibilities and obligations hereunder. The Contractor agrees to be as fully responsible to the State for the acts and omissions of its subcontractors and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by the Contractor. The Contractor's obligation to pay its subcontractors is an independent obligation from the obligation of the State to make payments to the Contractor. As

**EXHIBIT D  
(Standard Agreement)**

a result, the State shall have no obligation to pay or to enforce the payment of any moneys to any subcontractor.

**6. Force Majeure**

Neither party to this Agreement shall be liable for damages resulting from delayed or defective performance when such delays arise out of causes beyond the control and without the fault or negligence of the offending party. Such causes may include, but are not restricted to, acts of God or of the public enemy, acts of the State in its sovereign capacity, fires, floods, power failure, disabling strikes, epidemics, quarantine restrictions, and freight embargoes.

**7. Waivers**

No delay on the part of any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any waiver on the part of any party of any right, power or privilege hereunder, nor any single or partial exercise of any right, power or privilege hereunder, preclude any other or further exercise thereof or the exercise of any other right, power or privilege hereunder.

**8. Incorporation of Amendments to Applicable Laws**

Any references to sections of federal or state statutes or regulations shall be deemed to include a reference to any amendments thereof and any successor provisions thereto.

**9. Confidentiality**

All financial, statistical, personal, technical and other data and information relating to the operations of the State which are designated confidential by the State and become available to Contractor shall be protected by Contractor from unauthorized use and disclosure.

**10. Titles/Section Headings**

Titles and headings are for convenience of reference only, and shall have no effect on the construction or legal effect of this Agreement.

**11. Choice of Law**

Notwithstanding Paragraph 14 of Exhibit C (General Terms and Conditions), this Agreement shall be administered, construed, and enforced according to the laws of the State of California (without regard to any conflict of laws provisions) to the extent such laws have not been preempted by applicable federal law. Any suit brought hereunder, including any action to compel arbitration or to enforce any award or judgment rendered thereby, shall be brought in state court sitting in Sacramento, California, the parties hereby waiving any claim or defense that such forum is not convenient or proper. Each party agrees that any such court shall have in personam jurisdiction over it and consents to service of process in any manner authorized by California law.

**EXHIBIT D  
(Standard Agreement)**

**12. Notices**

The parties agree that to avoid unreasonable delay in the progress of the services performed hereunder, Contractor and the State have designated in Section 6 of Exhibit A specific staff representatives for the purpose of communication between the parties. Any notice or other written communication required or which may be given hereunder shall be deemed given when delivered personally, or by mail three (3) days after the date of mailing, unless by express mail then upon the date of confirmed receipt, to the representatives named in Section 6 of Exhibit A.

Either party hereto may, from time to time by notice in writing served upon the other as aforesaid, designate a different mailing address or a different or additional person to which all such notices or demands thereafter are to be addressed.

**13. Permits and Licenses**

Contractor shall carry out its duties and responsibilities herein in accordance with, be limited in the exercise of its rights by, and observe and comply with, all federal, state, city and county laws, rules or regulations affecting services under this Agreement. Contractor shall procure and keep in full force and effect during the term of this Agreement all permits and licenses necessary to accomplish the work contemplated in this Agreement.

**14. Books and Records**

Contractor shall keep accurate books and records connected with the performance of this Agreement for a period of at least three (3) years. Contractor shall ensure that books and records of subcontractors, suppliers, and other providers shall also be accurately maintained. Such books and records shall be kept in a secure location and shall be available for inspection and copying by the State and its representatives at any time.

**15. Key Personnel**

- a. A resume for each member of Contractor's staff who will exercise a significant administrative, policy, or consulting role under this Agreement is attached to this Agreement as Attachment D-1. These members of Contractor's staff shall be hereafter referred to (both individually and collectively) as "Key Personnel."
- b. Contractor shall not substitute, replace or reassign Key Personnel without the prior approval of the State and an amendment to this Agreement.
- c. This Agreement may be terminated immediately, in the sole discretion of the State and upon written notice from the State to Contractor, because of any change in or departure of any of the Key Personnel.

**16. Changes in Control, Organization or Key Personnel**

Contractor shall promptly, and in any case within five (5) days, notify the State in writing: (i) if any of Contractor's representations and warranties, as set forth in this Agreement, cease to be true at any time during the term of this Agreement; (ii) of any change in Contractor's staff who exercises a significant administrative, policy, or consulting role under this Agreement, including without limitation any Key Personnel; (iii) of any change in the majority ownership, control, or business structure of Contractor; or (iv) of any other material change in Contractor's business,

**EXHIBIT D  
(Standard Agreement)**

partnership or corporate organization. All written notices from Contractor under this provision shall contain sufficient information to permit the State to evaluate the changes within Contractor's staff or organization under the same criteria as was used by the State in its award of this Agreement to Contractor.

**17. Insurance Requirements**

Contractor warrants that it carries adequate liability, worker's compensation and other necessary insurance and shall maintain such insurance at levels acceptable to the State in full force and effect during the term of this Agreement. Contractor agrees to furnish satisfactory evidence of this insurance coverage to the State upon request.

**18. Subcontractors**

- a. Contractor shall perform the work contemplated by this Agreement with resources available within its own organization except for subcontracted work identified in this Agreement or other attachment incorporated hereto. No other portion of the work pertinent to this Agreement shall be subcontracted without written authorization by the State. The subcontractor must be mutually agreed upon in advance by both parties.
- b. Contractor shall require that any subcontractor agree to be bound by all provisions of this Agreement, as applicable.

**19. Notice of Proceedings**

Contractor shall promptly notify the State in writing of any investigation, examination or other proceeding involving Contractor, including any Key Personnel, commenced by any regulatory agency, which proceeding is not conducted in the ordinary course of Contractor's business.

**20. Cumulative Remedies**

The rights and remedies provided herein are cumulative and are not exclusive of any rights or remedies that any party may otherwise have at law or in equity.

**21. Binding Effect**

This Agreement, any instrument or agreement executed pursuant to this Agreement, and the rights, covenants, conditions and obligations of Contractor and the State contained therein, shall be binding upon the parties and their successors, assigns and legal representatives.

**22. Publicity**

No publicity release or announcement concerning this Agreement or the transactions contemplated herein shall be issued by Contractor without advance written approval by the State.

**23. Services or Procurement Resulting from Agreement**

Neither Contractor, nor any of its subsidiaries, officers or directors, may submit a bid or be awarded a contract for the provision of services, procurement of goods or supplies, or any other related action which is required, suggested, or otherwise deemed to be an outgrowth of the advice or recommendations that Contractor provides under this Agreement.

**EXHIBIT D  
(Standard Agreement)**

**24. Agreement Does Not Violate Law**

Contractor represents and warrants that neither the execution of this Agreement nor the acts contemplated hereby nor compliance by Contractor with any provisions hereof will:

- a. Violate any provision of the charter documents of Contractor;
- b. Violate any statute or law or ordinance or any judgment, decree, order, regulation or rule of any court or governmental authority applicable to Contractor; or
- c. Violate, or be in conflict with, or constitute a default under, or permit the termination of, or require the consent of any person under, any agreement to which Contractor may be bound, the violation of which in the aggregate would have a material adverse effect on the properties, business, prospects, earnings, assets, liabilities or condition (financial or otherwise) of Contractor.

**25. Power and Authority**

Contractor represents and warrants that it has the power and authority to enter into this Agreement and to carry out its obligations hereunder. The execution of this Agreement has been duly authorized by Contractor and no other proceeding on the part of Contractor is necessary to authorize this Agreement. Contractor has completed, obtained and performed all registrations, filings, approvals, authorizations, consents or examinations required by any government or governmental authority for its acts contemplated by this Agreement.

**26. Signature Authorization**

The person signing this Agreement warrants that he/she is an agent of Contractor and is duly authorized to enter into this Agreement on behalf of Contractor.

**27. Entire Agreement; Order of Precedence**

- a. This Agreement, including documents that have been incorporated in this Agreement by reference, contains all representations and the entire understanding between the parties hereto with respect to the subject matter hereof. Any prior correspondence, memoranda or agreements are replaced in total by this Agreement.
- b. In the event there are any inconsistencies or ambiguities among the terms of this Agreement and incorporated documents, the following order of precedence shall be used: (i) applicable laws; (ii) the terms and conditions of this Agreement, including exhibits and attachments; (iii) the Request for Proposal (RFP) if any; (iv) Contractor's response to the RFP if any; and (v) any other provisions, terms, or materials incorporated herein.

**28. Termination at Option of the State**

In addition to the provisions of Paragraph 7 of Exhibit C (General Terms and Conditions), this Agreement may be terminated in whole or in part at any time upon 30 calendar days' written notice by the State, for any reason. Upon receipt of a termination notice, Contractor shall promptly discontinue all services affected unless the notice specifies otherwise. In the event the State terminates all or a portion of this Agreement for any reason, it is understood that the State

**EXHIBIT D  
(Standard Agreement)**

will provide payment to Contractor for satisfactory services rendered prior to the termination, but not in excess of the maximum amount of this Agreement.

**29. Termination for Insolvency**

Contractor shall notify the State immediately in writing in the event that Contractor files any federal bankruptcy action or state receivership action, any federal bankruptcy or state receivership action is commenced against Contractor, Contractor is adjudged bankrupt, or a receiver is appointed and qualifies. In the event of any of the foregoing events, or if the State determines, based on reliable information, that there is a substantial probability that Contractor will be financially unable to continue performance under this Agreement, the State may terminate this Agreement and all further rights and obligations immediately.

**30. Completion**

In the event of termination for default, the State reserves the right to take over and complete the work by contract or other means. In such case, Contractor will be liable to the State for any additional cost incurred by the State to complete the work whether reimbursed or not.

**31. Effect of Termination**

All duties and obligations of the State and Contractor shall cease upon termination of this Agreement, except that:

- a. Each party shall remain liable for any rights, obligations, or liabilities arising from activities carried on by it under this Agreement prior to the effective date of termination; and
- b. Contractor shall provide for the return of all records of the State to the State or its designee and shall cooperate fully to effect an orderly transfer of services.

**32. Termination for Expatriation**

Contractor shall notify the State immediately in writing in the event that Contractor or its parent files any notice with the Securities and Exchange Commission that Contractor intends to reincorporate offshore. In the event of such notice, the State may terminate this Agreement and all further rights and obligations immediately by giving five (5) days' notice in writing in the manner specified herein.

**33. Compliance With Political Reform Act**

**Contractor acknowledges that the State is subject to the provisions of the Political Reform Act (Government Code section 81000 et seq. and all regulations adopted thereunder, including, but not limited to, California Code of Regulations, title 2, section 18700 et. seq.)** and Contractor shall comply promptly with any requirement thereunder. If required by law, Contractor shall require its personnel, including without limitation, its Key Personnel all later substitutions therefore, to file Statements of Economic Interests in compliance with the Conflict of Interest Code for the Office of the State Treasurer and the various boards, authorities, commissions, and committees chaired by the State Treasurer (California Code of Regulations, title 2, section 1897). All such reports shall be filed simultaneously with the State.

**EXHIBIT D**  
**(Standard Agreement)**

**34. Darfur Contracting Act**

Effective January 1, 2009, all Invitations for Bids (IFB) or Requests for Proposals (RFP) for goods or services must address the requirements of the Darfur Contracting Act of 2008 (Act). (Public Contract Code section 11475 et seq.) The Act was passed by the California Legislature and signed into law by the Governor to preclude State agencies generally from contracting with "scrutinized" companies that do business in the African nation of Sudan of which the Darfur region is a part, for the reasons described in Public Contract Code section 11475.

A scrutinized company is a company doing business in Sudan as defined in Public Contract Code section 11476. Scrutinized companies are ineligible to, and cannot, bid on or submit a proposal for a contract with a State agency for goods or services. (Public Contract Code section 11477(a).)

Therefore, Public Contract Code section 11478(a) requires a company that currently has (or within the previous three years has had) business activities or other operations outside of the United States to certify that it is not a "scrutinized" company when it submits a bid or proposal to a State agency. A scrutinized company may still, however, submit a bid or proposal for a contract with a State agency for goods or services if the company first obtains permission from DGS according to the criteria set forth in Public Contract Code section 11477(b).

**35. Labor Neutrality Policy**

SIB recognizes the value of labor organizing and encourages the entities with which it contracts to demonstrate that they also value this principle by encouraging management neutrality in labor organizing activities.

To remain "neutral" means not to take any action or make any statement that will directly or indirectly state or imply any support for or opposition to the selection by the Contractor's employees of a collective bargaining agent, or preference or opposition to any particular union as a bargaining agent. Nothing in this section obligates or prohibits the Contractor from entering into private neutrality, labor peace or other lawful agreements with a labor organization seeking to represent or who currently represents the Contractor's employees.

**EXHIBIT D-1**  
**(Standard Agreement)**

**RESUMES**