

Invitation for Bids (IFB)
Statewide Debt Collection Services

PROJECT NO. F10B9200003



**DEPARTMENT OF
BUDGET AND MANAGEMENT**

Issue Date: December 5, 2008

NOTICE

Prospective bidders who have received this document from the Department of Budget and Management's web site or eMarylandMarketplace.com, or who have received this document from a source other than the Procurement Officer, and who wish to assure receipt of any changes or additional materials related to this IFB, should immediately contact the Procurement Officer and provide their name, mailing address and email address so that amendments to the IFB or other communications can be sent to them.

**Minority Business Enterprises are Encouraged
to Respond to this Solicitation**

VENDOR COMMENTS

To help us improve the quality of State solicitations and make our procurement process more responsive and business-friendly, we ask that you take a few minutes to complete this form. Please email alockett@dbm.state.md.us, or fax (410-974-3274) this completed form to the attention of Ms. Andrea R. Lockett. Thank you for your assistance.

Bid/Proposal Number: F10B9200003 Entitled: Statewide Debt Collection Services

I. If you are not bidding, please indicate why:

- o Other commitments preclude our participation at this time.
- o The subject of the contract is not in our business line.
- o We lack experience in the work/commodities required.
- o The scope of work is beyond our current capacity.
- o We cannot be competitive. (Please explain below.)
- o The specifications are either unclear or too restrictive. (Please explain below.)
- o Bid/proposal requirements, other than specifications, are unreasonable or too risky. (Please explain below.)
- o Time for completion is insufficient.
- o Bonding/insurance requirements are prohibitive. (Please explain below.)
- o Doing business with government is simply too complicated.
- o Prior experience with State of Maryland contracts was unprofitable or otherwise unsatisfactory. (Please explain below.)
- o Other: _____

II. Please explain your response further, offer suggestions, or express concerns. (Use reverse or attach additional pages as needed.)

Remarks: _____

OPTIONAL:

Vendor Name: _____ Date: _____

Contact: _____ Phone: _____

Address or email: _____

THANK YOU!!!

KEY INFORMATION SUMMARY SHEET

STATE OF MARYLAND Invitation for Bids

Statewide Debt Collection Services

PROJECT NUMBER - F10B9200003

IFB Issue Date: December 5, 2008

IFB Issuing Office: Department of Budget and Management

Procurement Officer: Ms. Andrea R. Lockett
Phone: (410) 260-7374
Fax: (410) 974-3274
Email: alockett@dbm.state.md.us

Bids are to be sent to: Department of Budget and Management
Division of Procurement Policy & Administration
45 Calvert Street
Room 141
Annapolis, MD 21401
Attention: Ms. Andrea R. Lockett

Pre-Bid Conference: **December 17, 2008, 10:00 AM (Local Time)**
Department of Budget and Management
300 W. Preston Street, Auditorium
Baltimore, Maryland 21201
For directions see Attachment G

Closing Date and Time: **Monday, January 12, 2009 at 2:00 PM (Local Time)**

NOTE

Prospective bidders who have received this document from the Department of Budget and Management's web site or eMarylandMarketplace.com, or who have received this document from a source other than the Procurement Officer, and who wish to assure receipt of any changes or additional materials related to this IFB, should immediately contact the Procurement Officer and provide their name, mailing address and email address so that amendments to the IFB or other communications can be sent to them. Contact the Procurement Officer to obtain an electronic file of the IFB in Microsoft software.

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SECTION 1 - GENERAL INFORMATION

1.1 Summary Statement

1.1.1 This Invitation for Bids (IFB) invites firms to submit bids to the Maryland Department of Budget and Management/Central Collection Unit (DBM/CCU), a principal department of the State of Maryland (State), substantiating in detail their qualifications and capabilities to perform collection services on primary assignments of delinquent debts owed to the State. The collection agency must operate within the 50 states and have at least one collection office located within the State of Maryland or within 100 miles of the CCU office located at 300 W. Preston Street in Baltimore, Maryland which will serve as the primary office for purposes of this contract.

1.1.2 DBM intends to make a single contract award as a result of this IFB.

1.2 Abbreviations and Definitions

For the purposes of this IFB, the following abbreviations and terms have the meanings indicated below:

- a) **Account** – Claim of delinquent debt owed to the State of Maryland [other than the majority of taxes owed the State, child support, and certain other debts listed by statute] including, but not limited to unpaid subsequent injury fund assessments; and overpayments of Temporary Cash Assistance (TCA), food stamps or day care assistance.
- b) **Bidder** – An entity that submits a bid in response to this IFB.
- c) **BPW** – The Maryland Board of Public Works
- d) **Business Day- Monday through Friday (excluding State holidays)**
- e) **CCU** – Central Collection Unit
- f) **COMAR** – Code of Maryland Regulations available on-line at www.dsd.state.md.us.
- g) **Contract** – The State’s Contract attached to this IFB as Attachment A.
- h) **Contract Manager** – The State representative that will serve as the technical manager for the contract resulting from this IFB. The Contract Manager monitors the daily activities of the contract and provides technical guidance to the contractor.
- i) **Contractor** – The selected Bidder; the business entity awarded the contract for the procured services identified in this IFB.
- j) **Contractor’s Contract Administrator** – Person designated at the time of contract award by the Contractor as the single point of contact for the Department with the authority and knowledge to resolve contract issues.
- k) **DBM** – The Maryland Department of Budget & Management
- l) **Department** – Means the Maryland Department of Budget & Management

- m) **IFB** – The entire contents of this Invitation for Bids, “Statewide Debt Collection Services, Project # F10B9200003,” including any amendments/addenda thereto.
- n) **Local Time** – Time in the Eastern Time Zone as observed by the State.
- o) **MBE** – A Minority Business Enterprise certified by the Maryland Department of Transportation under COMAR 21.11.03.
- p) **Primary Office** – The office located within the State of Maryland or within 100 miles of the CCU office located at 300 W. Preston Street in Baltimore, Maryland in which the collection agency must operate for the duration of the contract.
- q) **Procurement Officer** – The State representative who is responsible for this IFB and for the determination of contract scope issues; also the only State representative who can authorize changes to the contract.

1.3 Contract Type

The contract that results from this IFB will be an Indefinite Quantity Contract with Fixed Unit Prices, in accordance with COMAR 21.06.03.06.

1.4 Contract Duration

The Contract resulting from this IFB shall be for a period of approximately five years commencing on or about May 1, 2009 to April 30, 2014.

1.5 Procurement Officer and Contract Manager

- A. The sole point-of-contact in the State for purposes of this IFB prior to the award of a contract is the Procurement Officer as listed below:

Ms. Andrea R. Lockett, Procurement Officer
Department of Budget and Management
Procurement Policy & Administration Division
45 Calvert Street, Room 141
Annapolis, Maryland 21401
Telephone: 410-260-7374
Fax: 410-974-3274
Email: alockett@dbm.state.md.us

DBM may change the Procurement Officer at any time by written notice to the Contractor.

- B. The State’s Contract Manager manages the daily activities of the contract and provides technical guidance to the Contractor. The State’s Contract Manager for this project is:

Ilene M. Carroll

Deputy Director, Central Collection Unit
Department of Budget and Management
300 West Preston Street, Room 503
Baltimore, Maryland 21201
Telephone: 410-767-2120
Fax: 410-333-5595
Email: ICarroll@dbm.state.md.us

DBM may change the Contract Manager at any time by written notice to the Contractor.

1.6 Pre-Bid Conference

A Pre-Bid Conference (Conference) will be held on Wednesday, December 17, 2008, beginning at 10:00 AM (Local time), at the following location:

Department of Budget & Management
300 West Preston Street, Auditorium
Baltimore, Maryland 21201

Attendance at the Pre-Bid Conference is not mandatory, however all interested bidders are encouraged to attend in order to facilitate better preparation of their bids and understanding of the IFB requirements. In addition, attendance may facilitate the Bidder's overall understanding and ability to meet the State's Minority Business Enterprise (MBE) goals.

As promptly as is feasible subsequent to the Conference, a summary of the Pre-Bid Conference and all questions and answers known at that time will be distributed, free of charge, to all prospective bidders known to have received a copy of this IFB.

In order to assure adequate seating and other accommodations at the Pre-Bid Conference, it is requested that by Tuesday, December 16, 2008, all potential bidders planning to attend return the Pre-Bid Conference Response Form (Attachment K) via e-mail or facsimile to the Procurement Officer. In addition, if there is a need for sign language interpretation and/or other special accommodations due to a disability, the State requests that at least five days advance notice be provided. DBM will make reasonable efforts to provide such special accommodation. See Attachment G of this IFB for directions.

1.7 Questions

The Procurement Officer, prior to the Pre-Bid Conference, will accept written questions from prospective bidders. To the extent possible and as appropriate, such questions will be answered at the Pre-Bid Conference. (No substantive question(s) will be answered prior to the Pre-Bid Conference.) Questions may be submitted by mail, facsimile, or preferably by e-mail to the Procurement Officer. Questions, both oral and written, will also be accepted from prospective bidders attending the Pre-Bid Conference. To the extent possible and as appropriate, these questions will be answered at the Pre-Bid Conference.

Questions will also be accepted subsequent to the Pre-Bid Conference. All post-Conference questions shall be submitted in a timely manner to the Procurement Officer only. The Procurement Officer will, based on the availability of time to research and communicate an answer, decide whether an answer can be provided before the bid due date. Answers to all substantive questions that have not previously been answered, and are not clearly specific only to the requestor, will be distributed to all prospective bidders who are known to have received a copy of the IFB.

1.8 Bids Due (Closing) Date

An unbound original and one (1) copy of the bid must be received by the Procurement Officer, at the address listed in Section 1.5A, no later than Monday, January 12, 2009, at 2:00 PM, Local Time, in order to be considered. An electronic version (on CD) of the Financial Proposal in MS Word or Excel format shall be enclosed with the unbound original Financial Proposal. Ensure that the CD is labeled with the IFB title, IFB project number, and Bidder name. Requests for extension of this date or time shall not be granted. Bidders mailing bids should allow sufficient mail delivery time to ensure timely receipt by the Procurement Officer. Except as provided in COMAR 21.05.02.10, bids received by the Procurement Officer after the closing date and time will not be considered. Bids delivered by email or facsimile shall not be considered.

Bids will be opened on January 12, 2009 at 2:30 PM, Local Time, in Room 164, 45 Calvert Street, Annapolis, Maryland in accordance with the provisions of COMAR 21.05.02.11B. Bids will be made available for public inspection at or within a reasonable time after bid opening. Any material claimed to be confidential or proprietary by the bidder must be clearly marked and shall be readily separable from the bid price form in order to facilitate public inspection of the non-confidential portion of the bid. The reason for each claim of confidentiality shall be included.

1.9 Minority Business Enterprises (MBE)

A Minority Business Enterprise subcontractor participation goal of 20% of the total contract dollar amount has been established for this procurement. By submitting a response to this solicitation, the bidder agrees that this dollar amount of the contract will be performed by certified MBEs. MBE requirements are specified in Attachment D of this IFB.

If the bidder is a certified minority contractor, the certification number should be entered on the bid price form.

A current directory of MBEs is available through the Maryland State Department of Transportation, Office of Minority Business Enterprise, P.O. Box 8755, Thurgood Marshall B.W.I. Airport, Maryland 21240-0755. The phone number is 410-865-1244. The directory is also available at <http://www.mdot.state.md.us>. Select the MBE Program label. The most current and up-to-date information on MBEs is available via the web site.

1.10 Duration of Bid

Bids submitted in response to this IFB are irrevocable for 90 days following the closing date. This period may be extended at the Procurement Officer's request only with the bidder's written consent.

1.11 Revisions to the IFB

If it becomes necessary to revise this IFB, amendments will be provided to all prospective bidders that were sent this IFB or otherwise are known by the Procurement Officer to have obtained this IFB. Acknowledgement of the receipt of all amendments to the IFB must accompany the bidder's bid. Failure to acknowledge receipt does not relieve the bidder from complying with all terms of any such amendment.

1.12 Cancellations of the IFB/Rejection of Bids

The State reserves the right to cancel this IFB, in whole or in part, or to accept or reject any and all bids received in response to this IFB, whenever this action is determined to be fiscally advantageous to the State or otherwise in its best interest.

1.13 Incurred Expenses

The State will not be responsible for any costs incurred by a bidder in preparing and submitting a bid, or in performing any other activities relative to this solicitation.

1.14 Economy of Preparation

Bids should be prepared simply and economically, providing a straightforward, concise description of the bidder's compliance to the requirements of this IFB.

1.15 Protests/Disputes

Any protest or dispute related respectively to this IFB or the resulting Contract shall be subject to the provisions of COMAR 21.10 (Administrative and Civil Remedies).

1.16 Multiple or Alternate Bids

A bidder may not submit more than one bid. Multiple or alternate bids will not be accepted.

1.17 Access to Public Information Act Notice

A bidder should give specific attention to the clear identification of those portions of its bid that it considers confidential, proprietary commercial information or trade secrets, and provide justification why such materials, upon request, should not be disclosed by the State under the Public Information Act, Title 10, Subtitle 6, Part III of the State Government Article of the Annotated Code of Maryland.

Bidders are advised that, upon request for this information from a third party, the Procurement Officer is required to make an independent determination whether the information must be disclosed (see COMAR 21.05.08.01). **Information which is claimed to be confidential is to be placed on a sheet separate from the Bid Price Form.**

1.18 Bidder Responsibilities

The State will enter into a contractual agreement only with the selected bidder. The selected bidder shall be responsible for all products and services required by this IFB. Subcontractors, if any, must be identified and a complete description of their role relative to the bid must be included in the bid. If a bidder that seeks to perform or provide the services required by this IFB is a subsidiary of another entity, all information submitted by the bidder, such as, but not limited to, references and financial reports, must pertain exclusively to the bidder, unless the parent organization will provide guarantees for the performance of the subsidiary.

1.19 Mandatory Contractual Terms

By submitting a bid in response to this IFB, a bidder, if selected for award, shall be deemed to have accepted the terms of this IFB and any amendments thereto, and the State's Contract, included in this IFB as Attachment A.

1.20 Bid/Proposal Affidavit

A completed Bid/Proposal Affidavit shall accompany the bid submitted by a bidder. A copy of this Affidavit is included as Attachment B to this IFB.

1.21 Contract Affidavit

All Bidders are advised that if a Contract is awarded as a result of this solicitation, the successful Bidder will be required to complete a Contract Affidavit. A copy of this Affidavit is included for informational purposes as Attachment C of this IFB. This Affidavit shall be provided to the Procurement Officer within five business days of notification of proposed Contract award.

1.22 Compliance with Laws/Arrearages

By submitting a bid in response to this IFB, the bidder, if selected for award, agrees that it will comply with all Federal, State and Local laws applicable to its activities and obligations under the contract.

By submitting a response to this solicitation, the bidder also represents that it is not in arrears in the payment of any obligations due to the State of Maryland, including the payment of taxes and employee benefits, and that it shall not become so in arrears during the term of this contract if selected for the contract award.

1.23 Procurement Method

This contract will be awarded in accordance with the Competitive Sealed Bidding procurement method as described in Maryland Code of Regulations (COMAR) 21.05.02.

1.24 Reciprocal Preference

Although Maryland law does not authorize procuring agencies to favor resident Bidders in awarding procurement Contracts, many other states do grant their resident businesses preferences over Maryland Contractors. Therefore, as described in COMAR 21.05.01.04, a resident business preference will be given if: a responsible Bidder whose headquarters, principal Base of Operations, or principal site that will primarily provide the services required under this IFB is in another state submits the most advantageous offer; the other state gives a preference to its residents through law, policy, or practice; and, the preference does not conflict with a Federal law or grant affecting the procurement Contract. The preference given shall be identical to the preference that the other state, through law, policy or practice gives to its residents.

1.25 No Bid Statement

Vendors not responding to this solicitation are requested to submit the “Vendor Comments” form, which includes company information **and the reason for not responding** (i.e. too busy, can not meet mandatory requirements, etc). This form is located in the IFB immediately following the Title Page.

1.26 Award Basis

The State will award the contract to the responsive and responsible bidder submitting the most favorable responsive bid price (as referenced in COMAR 21.05.02.13) for providing the services as specified in this IFB. The most favorable bid price will be the lowest percentage commission rate on Attachment F - Bid Form.

In the event of a tie bid, the process documented in COMAR 21.05.02.14 shall apply.

1.27 Verification of Registration and Tax Payment

Before a corporation can do business in the State of Maryland it must be registered with the Department of Assessments and Taxation, State Office Building, Room 803, 301 West Preston Street, Baltimore, Maryland 21201. It is strongly recommended that any potential bidder complete registration prior to the due date for receipt of bids. A bidder’s failure to complete registration with the Department of Assessments and Taxation may disqualify an otherwise successful bidder from final consideration and recommendation for contract award.

1.28 False Statements

Bidders are advised that Section 11-205.1 of the State Finance and Procurement Article of the Annotated Code of Maryland provides as follows:

- a) In connection with a procurement Contract, a person may not willfully:
 - Falsify, conceal, or suppress a material fact by any scheme or device;
 - Make a false or fraudulent statement or representation of a material fact; or
 - Use a false writing or document that contains a false or fraudulent statement or entry of a material fact.

- b) A person may not aid or conspire with another person to commit an act under subsection (a) of this section.

- c) A person who violates any provision of this section is guilty of a felony and on conviction is subject to a fine not exceeding \$20,000 or imprisonment not exceeding five (5) years or both.

1.29 e-Maryland Marketplace (eMM)

eMarylandMarketplace (eMM) is an electronic commerce system administered by the Maryland Department of General Services. In addition to using the DBM web site (www.dbm.maryland.gov) and other means for transmitting the IFB and associated materials, the solicitation and summary of the pre-bid conference, Bidders' questions and the Procurement Officer's responses, addenda, and other solicitation related information will be provided via eMM.

A vendor must be registered on eMM in order to receive a Contract award. Registration on eMM is free.

1.30 Electronic Funds Transfer

By submitting a response to this IFB, the bidder agrees to accept payments by electronic funds transfer unless the State Comptroller's Office grants an exemption. The selected bidder/Contractor must register using the form COT/GAD X-10 Vendor Electronic Funds (EFT) Registration Request Form. Any request for exemption must be submitted to the State Comptroller's Office for approval at the address specified on the COT/GAD X-10 form and must include the business identification information as stated on the form and include the reason for the exemption; see Attachment H. The COT/GAD X-10 form can also be downloaded at: <http://compnet.comp.state.md.us/gad/pdf/GADX-10.pdf>.

1.31 Living Wage Requirements

A solicitation for services under a State contract valued at \$100,000 or more may be subject to Title 18, State Finance and Procurement Article, Annotated Code of Maryland. Additional

information regarding the State's wage requirement is contained in the following section entitled *Living Wage Requirements for Service Contracts*. If the Bidder fails to complete and submit the required Living Wage documentation, the State may determine a Bidder to be not responsible; see Attachment L.

Contractors and Subcontractors subject to the Living Wage Law shall pay each covered employee at least \$11.72 per hour, if State contract services valued at 50% or more of the total value of the contract are performed in the Tier 1 Area. If State contract services valued at 50% or more of the total value are performed in the Tier 2 Area, a Bidder shall pay each covered employee at least \$8.81 per hour. The specific Living Wage rate is determined by whether a majority of services take place in a Tier 1 Area or Tier 2 Area of the State. The Tier 1 Area includes Montgomery, Prince George's, Howard, Anne Arundel, and Baltimore Counties, and Baltimore City. The Tier 2 Area includes any county in the State not included in the Tier 1 Area. If the employees who perform the services are not located in the State, the head of the unit responsible for a State contract pursuant to §18-102 (d) shall assign the tier based upon where the recipients of the services are located.

The contract resulting from this solicitation has been determined to be a Tier 1 contract.

1.32 Prompt Pay Requirements

This procurement and the contract to be awarded pursuant to this solicitation are subject to the Prompt Payment Policy Directive issued by the Governor's Office of Minority Affairs and dated August 1, 2008. Promulgated pursuant to Sections 11-201, 13-205(a), and Title 14, Subtitle 3 of the State Finance and Procurement Article (SFP), and Code of Maryland Regulations (COMAR) 21.01.01.03 and 21.11.03.01 et seq., the Directive seeks to ensure the prompt payment of all subcontractors on non-construction procurement contracts. The successful Offeror who is awarded a contract must comply with the prompt payment requirements outlined in the Contract, §32 (see Attachment A). Additional information is available on the GOMA website at www.mdminoritybusiness.com.

1.33 Site Survey

All eligible bidders are subject to site survey by the Procurement Officer or her designee. Arrangements will be made prior to final award.

1.34 Defalcation Bond

The successful Bidder will be required to maintain in full force and effect, during the contract term and any period thereafter during which the Contractor has in its possession any accounts forwarded to it by the CCU, a blanket bond in an amount of not less than \$250,000. The bond must be executed by a surety authorized to do business in the state of Maryland and must protect the State and the CCU against any loss through failure by the Contractor or any of its employees to reimburse the CCU its share of monies collected. If any accounts are forwarded to a subsidiary, the subsidiary will also be required to comply independently with this bonding requirement.

The successful Bidder's blanket bond may provide coverage for State approved subcontractors. In this instance, it is not necessary for subcontractors to obtain separate bonding. However, if the successful Bidder's blanket bond is limited solely to the Contractor, all approved subcontractors (including those utilized to fulfill the Minority Business Enterprises goal) assigned work by the successful bidder will also be required to maintain in full force and effect, during the contract term and any period thereafter during which the subcontractor has in its possession any accounts forwarded to it by the Contractor on behalf of CCU, a blanket bond in an amount of not less than \$250,000.

The bond must be approved by the Office of the Attorney General prior to award of the contract. A sample copy of this Bond is included for informational purposes as Attachment J of this IFB. This Bond shall be provided to the Procurement Officer within five business days of notification of proposed Contract award.

1.35 Surety Bond Assistance Program

Small businesses may qualify for assistance in obtaining bid, performance and payment bonds through the Maryland Small Business Development Financing Authority (MSBDFDA). MSBDFDA directly issues bid, performance or payment bonds up to \$5 million. MSBDFDA may also guarantee up to 90% of a surety's losses resulting from a contractor's breach of a bid, performance, or payment bond (up to a maximum of \$1,350,000). Bonds issued directly by the MSBDFDA Surety Bond Program remain in effect for the term of the bond. To be eligible for MSBDFDA bonding assistance, an applicant must (1) have its principal place of business in Maryland or be a Maryland resident; (2) be denied bonding by at least one surety in both the standard and specialty markets within 90 days of submitting a bond application to MSBDFDA; (3) employ fewer than 500 full-time employees or have gross sales of less than \$50 million annually; (4) subcontract not more than 75% of the work; (5) have a reputation of good moral character and financial responsibility; (6) demonstrate that the contract will have a substantial economic impact; and (7) never have defaulted on any loan or financial assistance made or guaranteed by MSBDFDA. Applicants must apply for MSBDFDA assistance through their respective bonding agents. Questions regarding the bonding assistance program should be referred to:

Maryland Small Business Development Financing Authority
c/o Meridian Management Group, Inc.
826 East Baltimore Street
Baltimore, Maryland 21202
Phone: (410) 333-2548 FAX: (410) 333-2552
mmgdeal@mmggroup.com

Other acceptable forms of security can be found in COMAR 21.06.07.01.

1.36 Non-Disclosure Agreement

The Bidder agrees that any information, whether proprietary or not, made known to or discovered by it during the performance of or in connection with award of a contract from this

IFB, will be kept confidential and not be disclosed to any person other than DBM/CCU, its designated officials, employees, and authorized agents. Accordingly, all Bidders are advised that if a Contract is awarded as a result of this solicitation, the successful Bidder will be required to complete a Non-Disclosure Agreement. A copy of the Non-Disclosure Agreement is included for informational purposes as Attachment M of this IFB. This Affidavit shall be provided within five (5) business days of notification of proposed Contract award.

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SECTION 2 – MINIMUM QUALIFICATIONS

2.1 General Information

Bidders must complete a Requirements & Qualifications Documentation (Attachment E) and submit it along with other required documents in Section 4.2. This form serves as the Bidders' self-certification verifying that the following minimum qualifications are met. The Procurement Officer or her representative, on behalf of the Department and in the exercise of her discretion, may or may not contact any or all of the cited references, and in addition, may contact any other reference of her choosing.

2.2 Experience

Bidders must demonstrate that they have three (3) years minimum experience in the collection of debts similar to those described in Part 3.1.

2.3 References

Bidders must provide a minimum of three (3) references of work performed of a similar nature as requested in this IFB.

References must be from a business or governmental organization that referred 15,000 or more accounts to the Contractor per year for each of the last 3 years.

2.4 Scope of Services

Bidder must positively reply to the Scope of Services items on the Requirements & Qualifications Documentation (Attachment E).

2.5 Maryland State Office and Licensing

The Contractor's primary office **must be located within the State of Maryland or within 100 miles of the CCU office located at 300 W. Preston Street in Baltimore, Maryland from which services will be rendered.** The CCU reserves the right to approve/deny any changes to the primary office location during the term of the contract. The bidder's response must identify the address of the bidder's principal (corporate) office and identify the address of the primary office, as required in their response to Attachment E, No. 12. The bidder must be licensed in Maryland by the Department of Labor, Licensing & Regulation's Commissioner of Financial Regulation as a collection agency.

2.6 Financial Statement

The bidder must submit its most recent two years of audited annual financial statements including a balance sheet and profit and loss statement. The financial statements must be audited

by an independent certified public accountant and must include all notes to the statements. The audit report must express an opinion as to whether the balance sheet presents fairly the financial position of the bidder. An audit report containing a disclaimer of opinion on the balance sheet does not satisfy the requirement of this section. Management letter comments regarding the Adequacy of Internal Controls must be submitted along with the financial statements.

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SECTION 3 – SCOPE OF SERVICES

3.1 Background Information

The Central Collection Unit (CCU) is responsible for the collection of all delinquent debt, claims and accounts due to the State other than the majority of taxes owed the State, child support, and certain other debts listed by statute. Typical debts are college tuition and fees, a small number of student loans, public assistance and food stamp overpayments, Parole and Probation restitution/Supervisory Fees/Court Cost accounts, reimbursement for damage to State property, bounced checks, reimbursement for care at a State hospital, unpaid workers' compensation insurance premiums, Home Improvement Commission awards, environmental fines, etc. During the past four years, CCU has annually received an average of 213,762 new debts with an average dollar value of \$254.0 million. See Attachment I for a Description of the Debts Frequently Sent to CCU. Due to the large volume of debt referrals, approximately 50,938 debts per year with a dollar value of \$53.2 million are referred to an outside collection service.

Accounts referred to the outside collection agency include an average of 84% in-state accounts and 16% out-of-state accounts. Debts are normally referred after six months of unsuccessful collection efforts by CCU. Debts are referred monthly by electronic media. The primary outside collection agency is authorized to make collection efforts for six months before returning uncollected accounts by electronic media to CCU. The current vendor's recovery rate has been approximately 6.0% of the total debts assigned over the last three years. The current vendor is paid 7.9% of amounts collected.

3.2 Collection Procedures

The Contractor will implement thorough collection procedures and attempt to achieve maximum recovery from debtors. These procedures will include at least 3 monthly telephone calls and 1 monthly dunning letter with escalating consequences on debt amounts of \$100 or more, direct mailing efforts, and skip tracing procedures when the address is identified as undeliverable by the post office. The Contractor must have the ability to collect retail/individual debts (approximately 90% of referrals), commercial/business debts (approximately 8% of referrals), and other debts (approximately 2% of referrals).

The Contractor shall enter an electronic note documenting the date and time each telephone call is made and/or the date each dunning letter is sent.

3.3 State Responsibilities

The State will submit all accounts to the Contractor electronically via File Transfer by the 10th of each month. The State will post payments to debtor accounts within 15 days of payment being made to the Contractor. The State will advise Contractor by facsimile of all checks paid by debtors returned for insufficient funds to CCU unpaid on a daily basis. The State will also

provide a report of payments made to CCU on accounts referred to the Contractor (and not returned to CCU) by the 10th of each month.

3.4 Litigation

Only the Maryland Attorney General's Office is authorized to file suit on behalf of the State. Whenever the Contractor feels that normal collection procedures will not produce the desired results, and has determined that litigation is necessary to resolve the account, a recommendation to initiate legal action should be forwarded to the CCU. The Contractor will return those accounts requiring litigation to CCU. Once judgment is obtained, this account may be returned to the Contractor for additional collection efforts.

3.5 Remitting Collections

Office in Maryland – The Contractor must deposit remittances daily to the State's bank account in the name of the Central Collection Unit.

The Central Collection Unit must receive from the Contractor daily, no later than 4:00 p.m. local time, a copy of the bank deposit slip and a transmittal form itemized by debtor's name, account number, amount, date and time deposited. The bank deposit amount and transmittal amount must agree.

3.6 State Offset Payments

The CCU will notify the Contractor of all offset payments including interception of the debtor's Maryland income tax refund; offset of the debt against a State employee's salary; offset of a payment to debtor/vendor doing business with the State and/or Federal; interception of the debtor's Federal income tax refund (where permitted); and any other offsets permitted by law. **Commission will not be paid on offset payments.**

3.7 Computer Capabilities

A bidder must have computer hardware, software and communications for Electronic file transfer capable of providing the following services:

- a. Accepting, processing, reporting, and returning accounts in an electronic media format provided by the State;
- b. Canceling accounts by electronic media;
- c. Accepting adjustments to accounts by electronic media; and
- d. Charging interest on accounts as required based on account type.

3.8 Compromise Settlements

Contractor shall not accept any compromise payments without approval of the CCU Director of Collections or their designee. The Contractor shall furnish CCU with any written proposal for a compromise settlement, a review of the relevant facts and the Contractor's recommendations.

3.9 Suspension of Collection Effort

Contractor agrees to suspend action on any individual account referred for collection upon notification by the CCU. At the request of the CCU, the Contractor shall return to CCU the account on which collection effort has been suspended. Except as specified in section 3.6, all payments made prior to notification that collection efforts must be suspended are eligible for commission.

3.10 Reports

The Contractor shall furnish the CCU with, at a minimum, the following:

- a.** A letter of confirmation acknowledging the monthly receipt of accounts, debtor's name, CCU account number, and account balances assigned with each placement, must be received by CCU within 15 days of receiving the accounts from CCU.
- b.** A monthly list of collection procedure recovery efforts of applicable referred accounts indicating the date and time of each telephone call made and the date of each dunning letter sent. The report must be received by CCU not later than 15 days after the month end.
- c.** A performance analysis (due to CCU not later than 15 days after month end) of referred accounts indicating:
 - 1. The total number and aggregate value of accounts placed for the month;
 - 2. The total number and aggregate value of accounts placed during the contract period to date;
 - 3. The gross collections for the month and on a cumulative basis from the date of contract commencement;
 - 4. The total number and aggregate value of cancelled and returned accounts, for the month and on a cumulative basis; and
 - 5. The total number and aggregate uncollected value of the current inventory of accounts.
- d.** A final report summary upon completion of the contract shall include all assigned accounts, indicating the debtor's name, CCU account number, date assigned, balance outstanding, and status of account.

3.11 Record Inspection

Contractor shall maintain electronic records for all accounts, ledger records that reflect the original balance, additional charges, collection and commission and correspondence received. The State and/or the CCU shall have the right to inspect such records without notice at any time. The CCU also reserves the right to confirm the accuracy of all payment information furnished by the debtor directly.

Contractor must also make available for review by the CCU all records/notes detailing efforts made on an account, when requested.

3.12 Invoicing and Payment

Except as specified in section 3.6, all payments on referred accounts are eligible for commission. The Contractor will be paid on the basis of the agreed percentage rate for all monies collected (whether principal, interest, or collection charges) on referred accounts. This will be the sole consideration paid to the Contractor, and the State will not reimburse the Contractor, other than as part of this compensation, for the costs or expenses paid or incurred. Only one percentage rate can be submitted for the contract.

The CCU will pay invoices of the Contractor within thirty (30) days of receipt.

SECTION 4 – BID SUBMISSION REQUIREMENTS

4.1 General

- 4.1.1 Bidders must use Attachment F. Do not change or alter this Attachment or alter any other State Attachments.
- 4.1.2 Bidders agree to comply with each and every section, subsection and addendum of this solicitation.
- 4.1.3 Bidders must provide proof that the minimum qualifications in Section 2 have been met through the submitted bid documents.

4.2 Preparation/Submission of Bids

- 4.2.1 Bids must be submitted to the Procurement Officer at the address identified in IFB Section 1.5A.
- 4.2.2 Bids must be delivered on or before the due date and time specified in IFB Section 1.8.
- 4.2.3 Bids must be submitted in a sealed envelope clearly labeled as follows:
 - a. “Sealed Bid - Maryland Department of Budget & Management, Statewide Debt Collection Services, Project F10B9200003.”
 - b. The Bid Due Date and Time; and
 - c. The Name of the bidder.
- 4.2.4 An unbound original, plus one (1) copy and an electronic version on CD (See Section 1.8) of the bid shall be submitted. The submission should include:
 - a. Bid Form – Attachment F. Completed and signed by an individual who is authorized to bind the bidder to the services and prices contained in the bid.
 - b. Acknowledgement of the receipt of all addenda to the IFB, if any.
 - c. Bid/Proposal Affidavit – Attachment B
 - d. Minority Business Enterprise Forms – Attachments D-1 (Certified MBE Utilization and Fair Solicitation Affidavit) and D-2 (MBE Participation Schedule)
 - e. Minimum Qualifications Document – Attachment E
- 4.2.5 **Bids submitted without all of the documents listed above will be deemed non-responsive and rejected in accordance with COMAR 21.06.02.03.**

ATTACHMENTS

ATTACHMENT A – State’s Contract. It is provided with the IFB for informational purposes and is not required at bid submission time. However, it must be completed, signed and returned by the selected bidder to the Procurement Officer within 5 working days of notification of proposed contract award.

ATTACHMENT B – Bid/Proposal Affidavit. This form must be completed and submitted with the bid.

ATTACHMENT C – Contract Affidavit. This Affidavit is not required at bid submission time. It shall be submitted by the selected Bidder to the Procurement Officer within 5 working days of notification of proposed award.

ATTACHMENT D – Minority Business Enterprises Participation Forms.

ATTACHMENT D-1 and D-2 – Certified MBE Utilization and Fair Solicitation Affidavit and MBE Participation Schedule. These forms must be submitted with the Bidder’s bid form.

ATTACHMENT D-3, and D-4 – Outreach Efforts Compliance and Subcontractor Project Participation Statement. These forms must be submitted within 10 working days of notification to a Bidder that it is the apparent awardee.

ATTACHMENT E – Requirements & Qualifications Documentation. This must be submitted with the bid.

ATTACHMENT F – Bid Price Instructions and Form. Bid Price forms must be completed and submitted as instructed.

ATTACHMENT G – Directions to the Pre-Bid Conference

ATTACHMENT H – Electronic Funds Transfer (EFT) Form

ATTACHMENT I – Description of Debts

ATTACHMENT J – Defalcation Bond. It shall be submitted by the selected Bidder to the Procurement Officer within 5 working days of notification of proposed award.

ATTACHMENT K – Pre-Bid Conference Response Form. Request this form be completed and submitted as described in IFB section 1.6 by those potential bidders who plan on attending the conference.

ATTACHMENT L – Living Wage Requirements and Affidavit. This must be submitted with the bid.

ATTACHMENT M – Non-Disclosure Agreement. It shall be submitted by the selected Bidder to the Procurement Officer within 5 working days of notification of proposed award.

ATTACHMENT A – CONTRACT

STATEWIDE DEBT COLLECTION SERVICES

THIS CONTRACT (the “Contract”) is made as of this ____ day of _____, 200__ by and between _____ and the STATE OF MARYLAND, acting through the DEPARTMENT OF BUDGET AND MANAGEMENT, DIVISION OF PROCUREMENT POLICY AND ADMINISTRATION.

In consideration of the promises and the covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Definitions

In this Contract, the following words have the meanings indicated:

- 1.1 “Contract Manager” means the administrator designated by the Department. The Contract Manager is Ilene Carroll of the Department. The Department may change the Contract Manager at any time by written notice.
- 1.2 “Contractor” means _____ whose principal business address is _____ and whose principal office in Maryland is _____.
- 1.3 “Department” means the Maryland Department of Budget and Management.
- 1.4 “Bid Form” means the Contractor’s Bid Form dated _____.
- 1.5 “Procurement Officer” means the officer designated by the Department. The Procurement Officer is Andrea R. Lockett of the Department. The Department may change the Procurement Officer at any time by written notice.
- 1.6 “IFB” means the Invitation for Bids for F10B9200003, and any amendments thereto issued in writing by the State.
- 1.7 “State” means the State of Maryland.

2. Scope of Work

2.1 The Contractor shall provide the debt collection services as specified in the IFB Section 3. These services shall be provided in accordance with the terms and conditions of this Contract and the following Exhibits, which are attached hereto and incorporated herein by reference. If there is any conflict between this Contract and the Exhibits, the terms of the Contract shall govern. If there is any conflict among the Exhibits, the following order of precedence shall determine the prevailing provision:

- Exhibit A – Invitation for Bids - Project No. F10B9200003 dated _____
- Exhibit B – Contractor’s Bid - Project No. F10B9200003 dated _____
- Exhibit C – State Contract Affidavit, executed by the Contractor and dated _____

Exhibit D – Bid/Proposal Affidavit, executed by the Contractor and dated _____
Exhibit E – Defalcation Bond, executed by the Contractor and dated _____
Exhibit F – Living Wage Affidavit, executed by the Contractor and dated _____
Exhibit G – Non-Disclosure Agreement, executed by the Contractor and dated _____

2.2 The Procurement Officer may, at any time, by written order, make changes in the work within the general scope of the Contract or the IFB. No other order, statement or conduct of the Procurement Officer or any other person shall be treated as a change or entitle the Contractor to an equitable adjustment under this section. Except as otherwise provided in this Contract, if any change under this section causes an increase or decrease in the Contractor's cost of, or the time required for, the performance of any part of the work, whether or not changed by the order, an equitable adjustment in the Contract price shall be made and the Contract modified in writing accordingly. The Contractor shall assert in writing its right to an adjustment under this section within thirty (30) days of receipt of written change order and shall include a written statement setting forth the nature and cost of such claim. No claim by the Contractor shall be allowed if asserted after final payment under this Contract. Failure to agree to an adjustment under this section shall be a dispute under the Disputes clause. Nothing in this section shall excuse the Contractor from proceeding with the Contract as changed.

3. Time for Performance

The Contract resulting from this IFB shall be for a period of five years beginning on May 1, 2009 and ending on April 30, 2014, unless terminated earlier as provided in this Contract. The Contractor shall provide services upon receipt of a Notice to Proceed from the Procurement Officer.

4. Consideration and Payment

4.1 In consideration of the satisfactory performance of the work set forth in this Contract, the Department shall pay the Contractor in accordance with the terms of this Contract and at the rates specified on Exhibit B, Contractor's Bid Form. Except with the express written consent of the Procurement Officer, payment to the Contractor pursuant to this Contract shall not exceed \$1,500,000 (One Million, Five Hundred Thousand Dollars). Contractor shall notify the Contract Manager, in writing, at least 60 days before payments reach the specified amount. Any work performed by the Contractor in excess of the not-to-exceed amount without the prior written approval of the Procurement Officer is at the Contractor's risk of non-payment. After notification by the Contractor, if the State fails to increase the Contract amount, the Contractor shall have no obligation to perform under this Contract after payments reach the stated amount.

4.2 The Contractor(s) shall invoice each individual requesting agency or non-State of Maryland government entity for receipt of payment. Payments from State of Maryland agencies or non-State of Maryland government entities to the Contractor shall be made no later than thirty (30) days after the requesting State agency or non-State of Maryland government entity's receipt of a proper invoice for services provided by the Contractor, acceptance by the requesting agency or non-State of Maryland government entity of services provided by the Contractor, and pursuant to the conditions outlined in Section 4 of this Contract. Each invoice for services rendered shall include the Contractor's Federal Tax Identification Number which is _____. Charges for late payment of invoices other than as prescribed by Title 15, Subtitle 1, of the State Finance and Procurement Article, Annotated Code of Maryland, are prohibited. Invoices shall be submitted to the Contract Manager. Electronic funds transfer shall be used by the State to pay Contractor pursuant to this Contract and any other State payments due Contractor unless the State Comptroller's Office grants Contractor an exemption.

4.3 In addition to any other available remedies, if, in the opinion of the Procurement Officer, the Contractor fails to perform in a satisfactory and timely manner, the Procurement Officer may refuse or

limit approval of any invoice for payment, and may cause payments to the Contractor to be reduced or withheld until such time as the Contractor meets performance standards as established by the Procurement Officer.

4.4 Contractor's eMarylandMarketplace vendor ID number is _____.

5. Rights to Records

5.1 The Contractor agrees that all documents and materials including but not limited to, software, reports, drawings, studies, specifications, estimates, tests, maps, photographs, designs, graphics, mechanical, artwork, computations and data prepared by the Contractor, for purposes of this Contract shall be the sole property of the State and shall be available to the State at any time. The State shall have the right to use the same without restriction and without compensation to the Contractor other than that specifically provided by this Contract.

5.2 The Contractor agrees that at all times during the term of this Contract and thereafter, works created as a deliverable under this Contract, and services performed under this Contract shall be "works made for hire" as that term is interpreted under U.S. copyright law. To the extent that any products created as a deliverable under this Contract are not works for hire for the State, the Contractor hereby relinquishes, transfers, and assigns to the State all of its rights, title, and interest (including all intellectual property rights) to all such products created under this Contract, and will cooperate reasonably with the State in effectuating and registering any necessary assignments.

5.3 The Contractor shall report to the Contract Manager, promptly and in written detail, each notice or claim of copyright infringement received by the Contractor with respect to all data delivered under this Contract.

5.4 The Contractor shall not affix any restrictive markings upon any data, documentation, or other materials provided to the State hereunder and if such markings are affixed, the State shall have the right at any time to modify, remove, obliterate, or ignore such warnings.

6. Exclusive Use

The State shall have the exclusive right to use, duplicate, and disclose any data, information, documents, records, or results, in whole or in part, in any manner for any purpose whatsoever, that may be created or generated by the Contractor in connection with this Contract. If any material, including software, is capable of being copyrighted, the State shall be the copyright owner and Contractor may copyright material connected with this project only with the express prior written approval of the State.

7. Patents, Copyrights, Intellectual Property

7.1 If the Contractor furnishes any design, device, material, process, or other item, which is covered by a patent, trademark or service mark, or copyright or which is proprietary to or a trade secret of another, the Contractor shall obtain the necessary permission or license to permit the State to use such item or items.

7.2 The Contractor will defend or settle, at its own expense, any claim or suit against the State alleging that any such item furnished by the Contractor infringes any patent, trademark, service mark, copyright, or trade secret. If a third party claims that a product infringes that party's patent, trademark, service mark, trade secret, or copyright, the Contractor will defend the State against that claim at Contractor's expense and will pay all damages, costs and attorney fees that a court finally awards, provided the State (i) promptly notifies the Contractor in writing of the claim; and (ii) allows Contractor

to control and cooperates with Contractor in, the defense and any related settlement negotiations. The obligations of this paragraph are in addition to those stated in Section 7.3 below.

7.3 If any products furnished by the Contractor become, or in the Contractor's opinion are likely to become, the subject of a claim of infringement, the Contractor will, at its option and expense: a) procure for the State the right to continue using the applicable item, b) replace the product with a non-infringing product substantially complying with the item's specifications, or c) modify the item so that it becomes non-infringing and performs in a substantially similar manner to the original item.

8. Confidentiality

Subject to the Maryland Public Information Act and any other applicable laws, all confidential or proprietary information and documentation relating to either party (including without limitation, any information or data stored within the Contractor's computer systems) shall be held in absolute confidence by the other party. Each party shall, however, be permitted to disclose relevant confidential information to its officers, agents and employees to the extent that such disclosure is necessary for the performance of their duties under this Contract, provided that the data may be collected, used, disclosed, stored and disseminated only as provided by and consistent with the law. The provisions of this section shall not apply to information that (a) is lawfully in the public domain; (b) has been independently developed by the other party without violation of this Contract; (c) was already in the possession of such party, (d) was supplied to such party by a third party lawfully in possession thereof and legally permitted to further disclose the information or (e) which such party is required to disclose by law.

9. Loss of Data

In the event of loss of any State data or records where such loss is due to the intentional act or omission or negligence of the Contractor or any of its subcontractors or agents, the Contractor shall be responsible for recreating such lost data in the manner and on the schedule set by the Contract Manager. The Contractor shall ensure that all data is backed up and recoverable by the Contractor. Contractor shall use its best efforts to assure that at no time shall any actions undertaken by the Contractor under this Contract (or any failures to act when Contractor has a duty to act) damage or create any vulnerabilities in data bases, systems, platforms and/or applications with which the Contractor is working hereunder.

10. Indemnification

10.1 The Contractor shall hold harmless and indemnify the State from and against any and all losses, damages, claims, suits, actions, liabilities and/or expenses, including, without limitation, attorneys' fees and disbursements of any character that arise from, are in connection with or are attributable to the performance or nonperformance of the Contractor or its subcontractors under this Contract, including but in no way limited to Contractor's failure to comply with the requirements of Section 9, above.

10.2 The State has no obligation to provide legal counsel or defense to the Contractor or its subcontractors in the event that a suit, claim or action of any character is brought by any person not party to this Contract against the Contractor or its subcontractors as a result of or relating to the Contractor's obligations under this Contract.

10.3 The State has no obligation for the payment of any judgments or the settlement of any claims against the Contractor or its subcontractors as a result of or relating to the Contractor's obligations under this Contract.

10.4 The Contractor shall immediately notify the Procurement Officer of any claim or suit made or filed against the Contractor or its subcontractors regarding any matter resulting from, or relating to, the Contractor's obligations under the Contract, and will cooperate, assist and consult with the State in the

defense or investigation of any claim, suit, or action made or filed against the State as a result of, or relating to, the Contractor's performance under this Contract.

11. Non-Hiring of Employees

No official or employee of the State, as defined under State Government Article, § 15-102, Annotated Code of Maryland, whose duties as such official or employee include matters relating to or affecting the subject matter of this Contract, shall, during the pendency and term of this Contract and while serving as an official or employee of the State, become or be an employee of the Contractor or any entity that is a subcontractor on this Contract.

12. Disputes

This Contract shall be subject to the provisions of Title 15, Subtitle 2, of the State Finance and Procurement Article of the Annotated Code of Maryland, and COMAR 21.10 (Administrative and Civil Remedies). Pending resolution of a claim, the Contractor shall proceed diligently with the performance of the Contract in accordance with the Procurement Officer's decision. Unless a lesser period is provided by applicable statute, regulation, or the Contract, the Contractor shall file a written notice of claim with the Procurement Officer within 30 days after the basis for the claim is known or should have been known, whichever is earlier. Contemporaneously with or within 30 days of the filing of a notice of claim, but no later than the date of final payment under the Contract, the Contractor shall submit to the Procurement Officer its written claim containing the information specified in COMAR 21.10.04.02.

13. Maryland Law

13.1 This Contract shall be construed, interpreted, and enforced according to the laws of the State of Maryland.

13.2 The Maryland Uniform Computer Information Transactions Act, Maryland Code Annotated, Commercial Law Article, Title 22, does not apply to this Contract, or to any purchase order, or Notice to Proceed, issued under this Contract.

13.3 Any and all references to the Annotated Code of Maryland contained in this Contract shall be construed to refer to such Code sections as from time to time amended.

14. Nondiscrimination in Employment

The Contractor agrees: (a) not to discriminate in any manner against an employee or applicant for employment because of race, color, religion, creed, age, sex, marital status, national origin, ancestry, or disability of a qualified individual with a disability; (b) to include a provision similar to that contained in subsection (a), above, in any underlying subcontract except a subcontract for standard commercial supplies or raw materials; and (c) to post and to cause subcontractors to post in conspicuous places available to employees and applicants for employment, notices setting forth the substance of this clause.

15. Contingent Fee Prohibition

The Contractor warrants that it has not employed or retained any person, partnership, corporation, or other entity, other than a bona fide employee, bona fide agent, bona fide salesperson, or commercial selling agency working for the business, to solicit or secure the Contract, and that the business has not paid or agreed to pay any person, partnership, corporation, or other entity, other than a bona fide employee, bona fide agent, bona fide salesperson, or commercial selling agency, any fee or any other consideration contingent on the making of this Contract.

16. Non-availability of Funding

If the General Assembly fails to appropriate funds or if funds are not otherwise made available for continued performance for any fiscal period of this Contract succeeding the first fiscal period, this Contract shall be canceled automatically as of the beginning of the fiscal year for which funds were not appropriated or otherwise made available; provided, however, that this will not affect either the State's rights or the Contractor's rights under any termination clause in this Contract. The effect of termination of the Contract hereunder will be to discharge both the Contractor and the State from future performance of the Contract, but not from their rights and obligations existing at the time of termination. The Contractor shall be reimbursed for the reasonable value of any nonrecurring costs incurred but not amortized in the price of the Contract. The State shall notify the Contractor as soon as it has knowledge that funds may not be available for the continuation of this Contract for each succeeding fiscal period beyond the first.

17. Termination for Cause

If the Contractor fails to fulfill its obligations under this Contract properly and on time, or otherwise violates any provision of the Contract, the State may terminate the Contract by written notice to the Contractor. The notice shall specify the acts or omissions relied upon as cause for termination. All finished or unfinished work provided by the Contractor shall, at the State's option, become the State's property. The State shall pay the Contractor fair and equitable compensation for satisfactory performance prior to receipt of notice of termination, less the amount of damages caused by the Contractor's breach. If the damages are more than the compensation payable to the Contractor, the Contractor will remain liable after termination and the State can affirmatively collect damages. Termination hereunder, including the termination of the rights and obligations of the parties, shall be governed by the provisions of COMAR 21.07.01.11B.

18. Termination for Convenience

The performance of work under this Contract may be terminated by the State in accordance with this clause in whole, or from time to time in part, whenever the State shall determine that such termination is in the best interest of the State. The State will pay all reasonable costs associated with this Contract that the Contractor has incurred up to the date of termination, and all reasonable costs associated with termination of the Contract; provided, however, the Contractor shall not be reimbursed for any anticipatory profits that have not been earned up to the date of termination. Termination hereunder, including the determination of the rights and obligations of the parties, shall be governed by the provisions of COMAR 21.07.01.12 (A)(2).

19. Delays and Extensions of Time

The Contractor agrees to perform this Contract continuously and diligently. No charges or claims for damages shall be made by the Contractor for any delays or hindrances, regardless of cause, in the performance of services under this Contract. Time extensions will be granted only for excusable delays that arise from unforeseeable causes beyond the control and without the fault or negligence of the Contractor, including but not restricted to acts of God, acts of the public enemy, acts of the State in either its sovereign or Contractual capacity, acts of another Contractor in the performance of a Contract with the State, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, or delays of subcontractors or suppliers arising from unforeseeable causes beyond the control and without the fault or negligence of either the Contractor or the subcontractors or suppliers.

20. Suspension of Work

The State unilaterally may order the Contractor in writing to suspend, delay, or interrupt all or any part of its performance for such period of time as the Procurement Officer may determine to be appropriate for the convenience of the State.

21. Pre-Existing Regulations

In accordance with the provisions of Section 11-206 of the State Finance and Procurement Article, Annotated Code of Maryland, the regulations set forth in Title 21 of the Code of Maryland Regulations (COMAR 21) in effect on the date of execution of this Contract are applicable to this Contract.

22. Financial Disclosure

The Contractor shall comply with the provisions of Section 13-221 of the State Finance and Procurement Article of the Annotated Code of Maryland, which requires that every person that enters into Contracts, leases, or other agreements with the State or its agencies during a calendar year under which the business is to receive in the aggregate, \$100,000 or more, shall within 30 days of the time when the aggregate value of these Contracts, leases or other agreements reaches \$100,000, file with the Secretary of the State certain specified information to include disclosure of beneficial ownership of the business.

23. Political Contribution Disclosure

The Contractor shall comply with Election Law Article, §§14-101 - 14-108, Annotated Code of Maryland, which requires that every person that enters into Contracts, leases, or other agreements with the State, a county, or an incorporated municipality, or their agencies, during a calendar year in which the person receives in the aggregate \$100,000 or more, shall, file with the State Board of Elections a statement disclosing contributions in excess of \$500 made during the reporting period to a candidate for elective office in any primary or general election. The statement shall be filed with the State Board of Elections: (1) before a purchase or execution of a lease or Contract by the State, a county, an incorporated municipality, or their agencies, and shall cover the preceding two calendar years; and (2) if the contribution is made after the execution of a lease or Contract, then twice a year, throughout the Contract term, on: (a) February 5, to cover the 6-month period ending January 31; and (b) August 5, to cover the 6-month period ending July 31.

24. Retention of Records

The Contractor shall retain and maintain all records and documents in any way relating to this Contract for three years after Contract closeout and final payment by the State under this Contract or any applicable statute of limitations, whichever is longer, and shall make them available for inspection and audit by authorized representatives of the State, including the Procurement Officer or the Procurement Officer's designee, at all reasonable times. All records related in any way to the Contract are to be retained for the entire time provided under this section. The Contractor shall, upon request by the Department, surrender all and every copy of documents needed by the State, including, but not limited to itemized billing documentation containing the dates, hours spent and work performed by the Contractor and its subcontractors under the Contract. In the event of any audit, Contractor shall provide assistance to the State, without additional compensation, to identify, investigate and reconcile any audit discrepancies and/or variances.

25. Representations and Warranties

The Contractor hereby represents and warrants that:

A. It is qualified to do business in the State and that it will take such action as, from time to time hereafter, may be necessary to remain so qualified;

B. It is not in arrears with respect to the payment of any monies due and owing the State, or any department or unit thereof, including but not limited to the payment of taxes and employee benefits, and that it shall not become so in arrears during the term of this Contract;

C. It shall comply with all federal, State and local laws, regulations, and ordinances applicable to its activities and obligations under this Contract; and,

D. It shall obtain, at its expense, all licenses, permits, insurance, and governmental approvals, if any, necessary to the performance of its obligations under this Contract.

26. Cost and Price Certification

By submitting cost or price information, the Contractor certifies to the best of its knowledge that the information submitted is accurate, complete, and current as of the date of its bid or offer.

The price under this Contract and any change order or modification hereunder, including profit or fee, shall be adjusted to exclude any significant price increases occurring because the Contractor furnished cost or price information which, as of the date of its bid or offer, was inaccurate, incomplete, or not current.

27. Subcontracting; Assignment

The Contractor may not subcontract any portion of the services provided under this Contract without obtaining the express prior written approval of the State, nor may the Contractor assign this Contract or any of its rights or obligations hereunder, without the express prior written approval of the State. Any such subcontract or assignment shall include the terms of Sections 11 and 13 through 26 of this Contract and any other terms and conditions that the State deems necessary to protect its interests. The State shall not be responsible for the fulfillment of the Contractor's obligations to the subcontractors.

28. Parent Company Guarantee (If Applicable)

[Corporate name of Parent Company] hereby guarantees absolutely the full, prompt and complete performance by "[Contractor]" of all the terms, conditions and obligations contained in this Contract, as it may be amended from time to time, including any and all exhibits that are now or may become incorporated hereunto, and other obligations of every nature and kind that now or may in the future arise out of or in connection with this Contract, including any and all financial commitments, obligations and liabilities. "[Corporate name of Parent Company]" may not transfer this absolute guaranty to any other person or entity without the prior express written approval of the State, which approval the State may grant, withhold, or qualify in its sole and absolute subjective discretion. "[Corporate name of Parent Company]" further agrees that if the State brings any claim, action, suit or proceeding against "[Contractor]", "[Corporate name of Parent Company]" may be named as a party, in its capacity as Absolute Guarantor.

29. Liquidated Damages

Time is an essential element of the Contract and it is critical that the language interpretation services as specified in the RFP Section 2 be maintained in accordance with the terms and conditions provided in the RFP and herein and that the Contractor operates in an extremely reliable manner. In the event the Contractor fails to comply with such terms, the Contractor shall be liable for liquidated damages in the amount(s) and as provided for in the RFP.

30. Administrative

30.1 **Procurement Officer.** The work to be accomplished under this Contract shall be performed under the direction of the Procurement Officer. All matters relating to the interpretation of this Contract shall be referred to the Procurement Officer for determination. The Procurement Officer is Andrea R. Lockett of the Department.

30.2 **Contract Manager.** The Contract Manager is Ilene Carroll of the Department.

30.3 **Notices.** All notices hereunder shall be in writing and either delivered personally or sent by certified or registered mail, postage prepaid as follows:

If to the State: _____

Attention: _____

If to the Contractor: _____

31. Commercial Nondiscrimination

- A. As a condition of entering into this Agreement, Contractor represents and warrants that it will comply with the State’s Commercial Nondiscrimination Policy, as described under Title 19 of the State Finance and Procurement Article of the Annotated Code of Maryland. As part of such compliance, Contractor may not discriminate on the basis of race, color, religion, ancestry or national origin, sex, age, marital status, sexual orientation, or on the basis of disability or other unlawful forms of discrimination in the solicitation, selection, hiring, or commercial treatment of subcontractors, vendors, suppliers, or commercial customers, nor shall Contractor retaliate against any person for reporting instances of such discrimination. Contractor shall provide equal opportunity for subcontractors, vendors, and suppliers to participate in all of its public sector and private sector subcontracting and supply opportunities, provided that this clause does not prohibit or limit lawful efforts to remedy the effects of marketplace discrimination that have occurred or are occurring in the marketplace. Contractor understands that a material violation of this clause shall be considered a material breach of this Agreement and may result in termination of this Agreement, disqualification of Contractor from participating in State contracts, or other sanctions. This clause is not enforceable by or for the benefit of, and creates no obligation to, any third party.
- B. The contractor shall include the above Commercial Nondiscrimination clause, or similar clause approved by The Department of Budget and Management, in all sub-contracts.
- C. As a condition of entering into this Agreement, upon the Maryland Human Relations Commission’s request, and only after the filing of a complaint against Contractor under Title 19 of the State Finance and Procurement Article, as amended from time to time, Contractor agrees to provide within 60 days after the request a complete list of the names of all subcontractors, vendors, and suppliers that Contractor has used in the past 4 years on any of its contracts that were undertaken within the state of Maryland, including the total dollar amount paid by

Contractor on each subcontract or supply contract. Contractor further agrees to cooperate in any investigation conducted by the State pursuant to the State's Commercial Nondiscrimination Policy as set forth under Title 19 of the State Finance and Procurement Article of the Annotated Code of Maryland, and to provide any documents relevant to any investigation that is requested by the State. Contractor understands that violation of this clause is a material breach of this Agreement and may result in contract termination, disqualification by the State from participating in State contracts, and other sanctions.

32. Prompt Pay Requirements

32.1. If a contractor withholds payment of an undisputed amount to its subcontractor, the Agency, at its option and in its sole discretion, may take one or more of the following actions:

32.1.1 Not process further payments to the contractor until payment to the subcontractor is verified;

32.1.2 Suspend all or some of the contract work without affecting the completion date(s) for the contract work;

32.1.3 Pay or cause payment of the undisputed amount to the subcontractor from monies otherwise due or that may become due;

32.1.4 Place a payment for an undisputed amount in an interest-bearing escrow account; or

32.1.5 Take other or further actions as appropriate to resolve the withheld payment.

32.2. An "undisputed amount" means an amount owed by a contractor to a subcontractor for which there is no good faith dispute, including any retainage withheld, and includes an amount withheld because of issues arising out of an agreement or occurrence unrelated to the agreement under which the amount is withheld.

32.3. An act, failure to act, or decision of a procurement officer or a representative of the Agency, concerning a withheld payment between a contractor and subcontractor under this policy directive, may not:

32.3.1 Affect the rights of the contracting parties under any other provision of law;

32.3.2 Be used as evidence on the merits of a dispute between the Agency and the contractor in any other proceeding; or

32.3.3 Result in liability against or prejudice the rights of the Agency.

32.4. The remedies enumerated above are in addition to those provided under COMAR 21.11.03.13 with respect to subcontractors that have contracted pursuant to the Minority Business Enterprise program.

32.5. To ensure compliance with certified MBE subcontract participation goals, the Agency may, consistent with COMAR 21.11.03.13, take the following measures:

32.5.1 Verify that the certified MBEs listed in the MBE participation schedule actually are performing work and receiving compensation as set forth in the MBE participation schedule.

32.5.2 This verification may include, as appropriate:

32.5.2.1 Inspecting any relevant records of the contractor;

32.5.2.2 Inspecting the jobsite; and

32.5.2.3 Interviewing subcontractors and workers.

32.5.2.4 Verification shall include a review of:

32.5.2.4.1 The contractor's monthly report listing unpaid invoices over 30 days old from certified MBE subcontractors and the reason for nonpayment; and

32.5.2.4.2 The monthly report of each certified MBE subcontractor, which lists payments received from the contractor in the preceding 30 days and invoices for which the subcontractor has not been paid.

32.5.3 If the Agency determines that a contractor is in noncompliance with certified MBE participation goals, then the Agency will notify the contractor in writing of its findings, and will require the contractor to take appropriate corrective action.

32.5.3.1 Corrective action may include, but is not limited to, requiring the contractor to compensate the MBE for work performed as set forth in the MBE participation schedule.

32.5.4 If the Agency determines that a contractor is in material noncompliance with MBE contract provisions and refuses or fails to take the corrective action that the Agency requires, then the Agency may:

32.5.4.1 Terminate the contract;

32.5.4.2 Refer the matter to the Office of the Attorney General for appropriate action; or

32.5.4.3 Initiate any other specific remedy identified by the contract, including the contractual remedies required by this Directive regarding the payment of undisputed amounts.

32.5.5 Upon completion of the contract, but before final payment or release of retainage or both, the contractor shall submit a final report, in affidavit form under the penalty of perjury, of all payments made to, or withheld from MBE subcontractors.

IN WITNESS WHEREOF, the parties have executed this Contract as of the date hereinabove set forth.

CONTRACTOR

By: _____ (SEAL)

Title: _____ Date: _____

Witness/Attest: _____

STATE OF MARYLAND

By: DEPARTMENT OF BUDGET AND MANAGEMENT

By: _____

Title: _____ Date: _____

Witness: _____

Approved for form and legal
sufficiency this _____ day
of _____, 200__.

Assistant Attorney General

APPROVED BY BPW: _____
(Date) (BPW Item #)

ATTACHMENT B – BID/PROPOSAL AFFIDAVIT

A. AUTHORIZED REPRESENTATIVE

I HEREBY AFFIRM THAT:

I am the (title) _____ and the duly authorized representative of (business) _____ and that I possess the legal authority to make this Affidavit on behalf of myself and the business for which I am acting.

B. CERTIFICATION REGARDING COMMERCIAL NONDISCRIMINATION

The undersigned bidder hereby certifies and agrees that the following information is correct: In preparing its bid on this project, the bidder has considered all proposals submitted from qualified, potential subcontractors and suppliers, and has not engaged in “ discrimination” as defined in §19-103 of the State Finance and Procurement Article of the Annotated Code of Maryland. “ Discrimination” means any disadvantage, difference, distinction, or preference in the solicitation, selection, hiring, or commercial treatment of a vendor, subcontractor, or commercial customer on the basis of race, color, religion, ancestry, or national origin, sex, age, marital status, sexual orientation, or on the basis of disability or any otherwise unlawful use of characteristics regarding the vendors, supplier’ s or commercial customer’ s employees or owners. “ Discrimination” also includes retaliating against any person or other entity for reporting any incident of “ discrimination” . Without limiting any other provision of the solicitation on this project, it is understood that, if the certification is false, such false certification constitutes grounds for the State to reject the bid submitted by the bidder on this project, and terminate any contract awarded based on the bid. As part of its bid or proposal, the bidder herewith submits a list of all instances within the past 4 years where there has been a final adjudicated determination in a legal or administrative proceeding in the state of Maryland that the bidder discriminated against subcontractors, vendors, suppliers, or commercial customers, and a description of the status or resolution of that determination, including any remedial action taken. Bidder agrees to comply in all respects with the State’ s Commercial Nondiscrimination Policy as described under Title 19 of the State Finance and Procurement Article of the Annotated Code of Maryland.

C. AFFIRMATION REGARDING BRIBERY CONVICTIONS

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business (as is defined in §16-101(b) of the State Finance and Procurement Article of the Annotated Code of Maryland), or any of its officers, directors, partners, controlling stockholders, or any of its employees directly involved in the business' s contracting activities including obtaining or performing contracts with public bodies, has been convicted of, or has had probation before judgment imposed pursuant to Criminal Procedure Article, §6-220, Annotated Code of Maryland, or has pleaded nolo contendere to a charge of, bribery, attempted bribery, or conspiracy to bribe in violation of Maryland law, or of the law of any other state or federal law, except as follows (indicate the reasons why the affirmation cannot be given and list any conviction, plea, or imposition of probation before judgment with the date, court, official or administrative body, the sentence or disposition, the name(s) of person(s) involved, and their current positions and responsibilities with the business):

D. AFFIRMATION REGARDING OTHER CONVICTIONS

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business, or any of its officers, directors, partners, controlling stockholders, or any of its employees directly involved in the business' s contracting activities including obtaining or performing contracts with public bodies, has:

- (1) Been convicted under state or federal statute of:
 - (a) a criminal offense incident to obtaining, attempting to obtain, or performing a public or private contract; or
 - (b) fraud, embezzlement, theft, forgery, falsification or destruction of records, or receiving stolen property;
- (2) Been convicted of any criminal violation of a state or federal antitrust statute;
- (3) Been convicted under the provisions of Title 18 of the United States Code for violation of the Racketeer Influenced and Corrupt Organization Act, 18 U.S.C. §1961, et seq., or the Mail

Fraud Act, 18 U.S.C. §1341, et seq., for acts in connection with the submission of bids or proposals for a public or private contract;

(4) Been convicted of a violation of the State Minority Business Enterprise Law, §14-308 of the State Finance and Procurement Article of the Annotated Code of Maryland;

(5) Been convicted of a violation of the §11-205.1 of the State Finance and Procurement Article of the Annotated Code of Maryland;

(6) Been convicted of conspiracy to commit any act or omission that would constitute grounds for conviction or liability under any law or statute described in subsection (1) through (5) above;

(7) Been found civilly liable under a state or federal antitrust statute for acts or omissions in connection with the submission of bids or proposals for a public or private contract; or

(8) Been found in a final adjudicated decision to have violated the Commercial Nondiscrimination Policy under Title 19 of the State Finance and Procurement Article of the Annotated Code of Maryland with regard to a public or private contract; or

(9) Admitted in writing or under oath, during the course of an official investigation or other proceedings, acts or omissions that would constitute grounds for conviction or liability under any law or statute described in §§B — C and subsections (1) through (8) above, except as follows (indicate reasons why the affirmations cannot be given, and list any conviction, plea, or imposition of probation before judgment with the date, court, official or administrative body, the sentence or disposition, the name(s) of the person(s) involved and their current positions and responsibilities with the business, and the status of any debarment):

E. AFFIRMATION REGARDING DEBARMENT

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business, or any of its officers, directors, partners, controlling stockholders, or any of its employees directly involved in the business' s contracting activities including obtaining or performing contracts with public bodies, has ever been suspended or debarred (including being issued a limited denial of

participation) by any public entity, except as follows (list each debarment or suspension providing the dates of the suspension or debarment, the name of the public entity and the status of the proceedings, the name(s) of the person(s) involved and their current positions and responsibilities with the business, the grounds of the debarment or suspension, and the details of each person's involvement in any activity that formed the grounds of the debarment or suspension):

F. AFFIRMATION REGARDING DEBARMENT OF RELATED ENTITIES

I FURTHER AFFIRM THAT:

(1) The business was not established and it does not operate in a manner designed to evade the application of or defeat the purpose of debarment pursuant to §16-101, et seq., of the State Finance and Procurement Article of the Annotated Code of Maryland; and

(2) The business is not a successor, assignee, subsidiary, or affiliate of a suspended or debarred business, except as follows (you must indicate the reasons why the affirmations cannot be given without qualification):

G. SUB-CONTRACT AFFIRMATION

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business, has knowingly entered into a contract with a public body under which a person debarred or suspended under Title 16 of the State Finance and Procurement Article of the Annotated Code of Maryland will provide, directly or indirectly, supplies, services, architectural services, construction related services, leases of real property, or construction.

H. AFFIRMATION REGARDING COLLUSION

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business has:

(1) Agreed, conspired, connived, or colluded to produce a deceptive show of competition in the compilation of the accompanying bid or offer that is being submitted;

(2) In any manner, directly or indirectly, entered into any agreement of any kind to fix the bid price or price proposal of the bidder or offeror or of any competitor, or otherwise taken any action in restraint of free competitive bidding in connection with the contract for which the accompanying bid or offer is submitted.

I. FINANCIAL DISCLOSURE AFFIRMATION

I FURTHER AFFIRM THAT:

I am aware of, and the above business will comply with, the provisions of §13-221 of the State Finance and Procurement Article of the Annotated Code of Maryland, which require that every business that enters into contracts, leases, or other agreements with the State of Maryland or its agencies during a calendar year under which the business is to receive in the aggregate \$100,000 or more shall, within 30 days of the time when the aggregate value of the contracts, leases, or other agreements reaches \$100,000, file with the Secretary of State of Maryland certain specified information to include disclosure of beneficial ownership of the business.

J. POLITICAL CONTRIBUTION DISCLOSURE AFFIRMATION

I FURTHER AFFIRM THAT:

I am aware of, and the above business will comply with, Election Law Article, §§14-101—14-108, Annotated Code of Maryland, which requires that every person that enters into contracts, leases, or other agreements with the State of Maryland, including its agencies or a political subdivision of the State, during a calendar year in which the person receives in the aggregate \$100,000 or more shall file with the State Board of Elections a statement disclosing contributions in excess of \$500 made during the reporting period to a candidate for elective office in any primary or general election.

K. DRUG AND ALCOHOL FREE WORKPLACE

(Applicable to all contracts unless the contract is for a law enforcement agency and the agency head or the agency head's designee has determined that application of COMAR 21.11.08 and this certification would be inappropriate in connection with the law enforcement agency's undercover operations.)

I CERTIFY THAT:

(1) Terms defined in COMAR 21.11.08 shall have the same meanings when used in this certification.

(2) By submission of its bid or offer, the business, if other than an individual, certifies and agrees that, with respect to its employees to be employed under a contract resulting from this solicitation, the business shall:

- (a) Maintain a workplace free of drug and alcohol abuse during the term of the contract;
- (b) Publish a statement notifying its employees that the unlawful manufacture, distribution, dispensing, possession, or use of drugs, and the abuse of drugs or alcohol is prohibited in the business' workplace and specifying the actions that will be taken against employees for violation of these prohibitions;
- (c) Prohibit its employees from working under the influence of drugs or alcohol;
- (d) Not hire or assign to work on the contract anyone whom the business knows, or in the exercise of due diligence should know, currently abuses drugs or alcohol and is not actively engaged in a bona fide drug or alcohol abuse assistance or rehabilitation program;
- (e) Promptly inform the appropriate law enforcement agency of every drug-related crime that occurs in its workplace if the business has observed the violation or otherwise has reliable information that a violation has occurred;
- (f) Establish drug and alcohol abuse awareness programs to inform its employees about:
 - (i) The dangers of drug and alcohol abuse in the workplace;
 - (ii) The business' policy of maintaining a drug and alcohol free workplace;
 - (iii) Any available drug and alcohol counseling, rehabilitation, and employee assistance programs; and
 - (iv) The penalties that may be imposed upon employees who abuse drugs and alcohol in the workplace;
- (g) Provide all employees engaged in the performance of the contract with a copy of the statement required by §K(2)(b), above;

- (h) Notify its employees in the statement required by §K(2)(b), above, that as a condition of continued employment on the contract, the employee shall:
 - (i) Abide by the terms of the statement; and
 - (ii) Notify the employer of any criminal drug or alcohol abuse conviction for an offense occurring in the workplace not later than 5 days after a conviction;
 - (i) Notify the procurement officer within 10 days after receiving notice under §K(2)(h)(ii), above, or otherwise receiving actual notice of a conviction;
 - (j) Within 30 days after receiving notice under §K(2)(h)(ii), above, or otherwise receiving actual notice of a conviction, impose either of the following sanctions or remedial measures on any employee who is convicted of a drug or alcohol abuse offense occurring in the workplace:
 - (i) Take appropriate personnel action against an employee, up to and including termination; or
 - (ii) Require an employee to satisfactorily participate in a bona fide drug or alcohol abuse assistance or rehabilitation program; and
 - (k) Make a good faith effort to maintain a drug and alcohol free workplace through implementation of §K(2)(a)—(j), above.
- (3) If the business is an individual, the individual shall certify and agree as set forth in §K(4), below, that the individual shall not engage in the unlawful manufacture, distribution, dispensing, possession, or use of drugs or the abuse of drugs or alcohol in the performance of the contract.
- (4) I acknowledge and agree that:
- (a) The award of the contract is conditional upon compliance with COMAR 21.11.08 and this certification;
 - (b) The violation of the provisions of COMAR 21.11.08 or this certification shall be cause to suspend payments under, or terminate the contract for default under COMAR 21.07.01.11 or 21.07.03.15, as applicable; and

(c) The violation of the provisions of COMAR 21.11.08 or this certification in connection with the contract may, in the exercise of the discretion of the Board of Public Works, result in suspension and debarment of the business under COMAR 21.08.03.

L. CERTIFICATION OF CORPORATION REGISTRATION AND TAX PAYMENT

I FURTHER AFFIRM THAT:

(1) The business named above is a (domestic ___) (foreign ___) corporation registered in accordance with the Corporations and Associations Article, Annotated Code of Maryland, and that it is in good standing and has filed all of its annual reports, together with filing fees, with the Maryland State Department of Assessments and Taxation, and that the name and address of its resident agent filed with the State Department of Assessments and Taxation is: Name: _____
Address: _____

(If not applicable, so state).

(2) Except as validly contested, the business has paid, or has arranged for payment of, all taxes due the State of Maryland and has filed all required returns and reports with the Comptroller of the Treasury, the State Department of Assessments and Taxation, and the Department of Labor, Licensing, and Regulation, as applicable, and will have paid all withholding taxes due the State of Maryland prior to final settlement.

M. CONTINGENT FEES

I FURTHER AFFIRM THAT:

The business has not employed or retained any person, partnership, corporation, or other entity, other than a bona fide employee, bona fide agent, bona fide salesperson, or commercial selling agency working for the business, to solicit or secure the Contract, and that the business has not paid or agreed to pay any person, partnership, corporation, or other entity, other than a bona fide employee, bona fide agent, bona fide salesperson, or commercial selling agency, any fee or any other consideration contingent on the making of the Contract.

N. Repealed.

O. ACKNOWLEDGEMENT

I ACKNOWLEDGE THAT this Affidavit is to be furnished to the Procurement Officer and may be distributed to units of: (1) the State of Maryland; (2) counties or other subdivisions of the State of Maryland; (3) other states; and (4) the federal government. I further acknowledge that this Affidavit is subject to applicable laws of the United States and the State of Maryland, both criminal and civil, and that nothing in this Affidavit or any contract resulting from the submission of this bid or proposal shall be construed to supersede, amend, modify or waive, on behalf of the State of Maryland, or any unit of the State of Maryland having jurisdiction, the exercise of any statutory right or remedy conferred by the Constitution and the laws of Maryland with respect to any misrepresentation made or any violation of the obligations, terms and covenants undertaken by the above business with respect to (1) this Affidavit, (2) the contract, and (3) other Affidavits comprising part of the contract.

I DO SOLEMNLY DECLARE AND AFFIRM UNDER THE PENALTIES OF PERJURY THAT THE CONTENTS OF THIS AFFIDAVIT ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF.

Date: _____ By: _____ (Authorized Representative and Affiant)

ATTACHMENT C – CONTRACT AFFIDAVIT

A. AUTHORIZED REPRESENTATIVE

I HEREBY AFFIRM THAT:

I am the _____ (title) and the duly authorized representative of _____ (business) and that I possess the legal authority to make this Affidavit on behalf of myself and the business for which I am acting.

B. CERTIFICATION OF CORPORATION REGISTRATION AND TAX PAYMENT

I FURTHER AFFIRM THAT:

(1) The business named above is a (domestic_____) (foreign_____) corporation registered in accordance with Corporations and Associations Article, Annotated Code of Maryland, and that it is in good standing and has filed all of its annual reports, together with filing fees, with the Maryland State Department of Assessments and Taxation, and that the name and address of its resident agent filed with the State Department of Assessment and Taxation is:

Name: _____

Address: _____

(2) Except as validly contested, the business has paid, or has arranged for payment of, all taxes due the State of Maryland and has filed all required returns and reports with Comptroller of the Treasury, the State Department of Assessments and Taxation, and the Department of Labor Licensing and Regulation, as applicable, and will have paid all withholding taxes due the State of Maryland prior to final settlement.

C. CERTAIN AFFIRMATIONS VALID

I FURTHER AFFIRM THAT:

To the best of my knowledge, information, and belief, each of the affirmations, certifications, or acknowledgments contained in that certain Bid/Proposals Affidavit dated_____, 200__, and executed by me for the purposed of obtaining the contract to which this Exhibit is attached remains true and correct in all respects as if made as of the date of this Contract Affidavit and as if fully set forth herein.

I DO SOLEMNLY DECLARE AND AFFIRM UNDER THE PENALTIES OF PERJURY THAT THE CONTENTS OF THIS AFFIDAVIT ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF.

DATE:_____

BY:_____

(Signature of Authorized Representative and Affiant)

ATTACHMENT D – MINORITY BUSINESS ENTERPRISES FORMS

State of Maryland
DEPARTMENT OF BUDGET AND MANAGEMENT

PURPOSE

COMAR 21.11.03 Provide maximum contracting opportunities be extended to certified minority business enterprises, and establishes.

The Prime Contractor shall structure its procedures for the performance of the work required in this contract to attempt to achieve the Minority Business Enterprise (MBE) goal stated in the Invitation for Bids (IFB) or Request for Proposals (RFP). MBE performance must be in accordance with this Attachment, as authorized by Minority Business Enterprise Policies as set forth by 21.11.03 of the Code of Maryland Regulations (COMAR). Accordingly, the Contractor agrees to exercise all good faith efforts to carry out the requirements set forth in this Attachment.

To meet the goal using MBE subcontractors, all Prime Contractors must:

- Identify work areas for subcontracting
- Solicit minority business enterprises through written notice or personal contact
- Help minority businesses meet bonding requirements or grant them a waiver of bonding requirements
- Identify their MBE subcontractors at the time they submit their bids or proposals

An MBE **must be** certified at the time of proposal submission in order to have its contract participation counted under the Department's MBE program.

MBE GOALS AND SUB GOALS



An MBE subcontract participation goal of 20% percent of the total contract dollar amount has been established for this procurement. By submitting a response to this solicitation, the bidder or Offeror agrees that this dollar amount of the contract will be performed by certified minority business enterprises

OR



An overall MBE subcontract participation goal of ___ percent of the total contract dollar amount has been established for this procurement. This dollar amount includes:

- A sub-goal of ___ percent of the total contract dollar amount to be allocated to certified minority business enterprises classified as women-owned businesses.
- A sub-goal of ___ percent of the total contract dollar amount to be allocated to certified minority business enterprises classified as African American-owned businesses.

By submitting a response to this solicitation, the bidder or Offeror agrees that these dollar amounts of the contract will be performed by certified minority business enterprises as specified.

- ◆ A prime contractor — including an MBE prime contractor — must accomplish an amount of work not less than the MBE subcontract goal with certified MBE subcontractors. (COMARS 21.11.03.09B(2))
- ◆ A prime contractor comprising a joint venture that includes MBE partner(s) must accomplish the MBE subcontract goal with certified MBE subcontractors.

SOLICITATION AND CONTRACT FORMATION

- ◆ A bidder or Offeror must include with its bid or offer:
 - (1) A completed Certified MBE Utilization and Fair Solicitation Affidavit (Attachment D-1) whereby the bidder or Offeror acknowledges the certified MBE participation goal or requests a waiver, commits to make a good faith effort to achieve the goal, and affirms that MBE subcontractors were treated fairly in the solicitation process.
 - (2) A completed MBE Participation Schedule (Attachment D-2) whereby the bidder or Offeror responds to the expected degree of Minority Business Enterprise participation as stated in the solicitation, by identifying the specific commitment of certified Minority Business Enterprises at the time of submission. The bidder or Offeror shall specify the percentage of contract value associated with each MBE subcontractor identified on the MBE Participation Schedule.
 - a. **COMAR 21.11.03.09C(5). The failure of a bidder to complete and submit the MBE utilization affidavit and the MBE participation schedule shall result in a determination that the bid is not responsive.**
 - b. **COMAR 21.11.03.09C(6). The failure of an Offeror to complete and submit the MBE utilization affidavit and the MBE participation schedule shall result in a determination that the proposal is not susceptible of being selected for award.**
- ◆ Within 10 working days from notification that it is the apparent awardee or from the date of the actual award, whichever is earlier, the apparent awardee must provide the following documentation to the Procurement Officer.
 - (1) Outreach Efforts Compliance Statement (Attachment D-3)
 - (2) Subcontractor Project Participation Statement (Attachment D-4)
 - (3) If the apparent awardee has requested a waiver (in whole or in part) of the overall MBE goal or of any sub-goal as part of the previously submitted Attachment D-1, it must submit documentation supporting the waiver request that complies with COMAR 21.11.03.11.
 - (4) Any other documentation required by the Procurement Officer to ascertain bidder or Offeror responsibility in connection with the certified MBE participation goal.

NOTE: If the apparent awardee fails to return each completed document within the required time, the Procurement Officer may determine that the

apparent awardee is not responsible and therefore not eligible for contract award. If the contract has already been awarded, the award is voidable.

MBE REPORTING INSTRUCTIONS

Prime Contractor shall:

1. Submit by the 15th of each month to the Department a separate report for each (Attachment D-5) Subcontractor. The report shall lists:
 - a) all payments made to the MBE subcontractor during the previous 30 days
 - b) **any unpaid invoices over 30 days old received from any certified MBE subcontractor, the amount of each invoice and the reason payment has not been made.**
2. Include in its written agreements with the MBE subcontractors as listed on the MBE Participation Schedule a requirement that those subcontractors submit monthly to the Department a report (**Attachment D-6**) that identifies the prime contract. The D-6 report shall lists:
 - a) all payments received from the Prime Contractor during the previous 30 days
 - b) any outstanding invoices to include number and date, and the invoice amount
3. Maintain such records as are necessary to confirm compliance with its MBE participation obligations. These records must indicate the identity of certified minority and non-minority subcontractors employed on the contract, the type of work performed by each, and the actual dollar value of work performed. **Subcontract agreements documenting the work performed by all MBE participants must be retained by the Contractor and furnished to the Procurement Officer on request.**
4. Consent to provide such documentation as reasonably requested and to provide right-of-entry at reasonable times for purposes of the State's representatives verifying compliance with the MBE participation obligations. **Contractor must retain all records concerning MBE participation and make them available for State inspection for three years after final completion of the contract.**
5. At the option of the Procurement Agency, upon completion of the contract and before final payment and/or release of retainage, submit a final report in affidavit form and under penalty of perjury, of all payments made to, or withheld from MBE subcontractors.

Attachments

- D-1 Certified MBE Utilization and Fair Solicitation Affidavit (must be submitted with bid or offer)
- D-2 MBE Participation Schedule (must be submitted with bid or offer)
- D-3 Outreach Efforts Compliance Statement (must be submitted within 10 working days of notification of apparent award or actual award, whichever is earlier)
- D-4 Subcontractor Project Participation Statement (must be submitted within 10 working days of notification of apparent award or actual award, whichever is earlier)
- D-5 Prime Contractor Paid/Unpaid MBE Invoice Report (must be submitted monthly by the Prime Contractor)
- D-6 Subcontractor Paid/Unpaid MBE Invoice Report (must be submitted monthly by the MBE subcontractor)

Attachment D-1
Certified MBE Utilization and Fair Solicitation
Affidavit

This document shall be included with the submittal of the bid or offer. If the bidder or Offeror fails to submit this form with the bid or offer, the Procurement Officer shall deem the bid non-responsive or shall determine that the offer is not reasonably susceptible of being selected for award. (COMARS 21.11.03.09C(5) and 21.11.03.09C(6))

In conjunction with the bid or offer submitted in response to Solicitation No. F10B9200003, I affirm the following:

1. I acknowledge the overall certified Minority Business Enterprise (MBE) participation goal of 20% percent and, if specified in the solicitation, sub-goals of 0 percent for MBEs classified as African American-owned and 0 percent for MBEs classified as women-owned. I have made a good faith effort to achieve this goal.

OR

After having made a good faith effort to achieve the MBE participation goal, I conclude I am unable to achieve it. Instead, I intend to achieve an MBE goal of _____% and request a waiver of the remainder of the goal. If I submit the apparent low bid or am selected as the apparent awardee (competitive sealed proposals), I will submit written waiver documentation that complies with COMAR 21.11.03.11 within 10 business days of receiving notification that our firm is the apparent low bidder or the apparent awardee.

2. I have identified the specific commitment of certified Minority Business Enterprises by completing and submitting an MBE Participation Schedule (Attachment D-2) with the bid or proposal.
3. I acknowledge that the MBE subcontractors/suppliers listed in the MBE Participation Schedule will be used to accomplish the percentage of MBE participation that I intend to achieve.
4. I understand that if I am notified that I am the apparent awardee, I must submit the following documentation within 10 working days of receiving notice of the potential award or from the date of conditional award (per COMAR 21.11.03.10), whichever is earlier.
 - (a) Outreach Efforts Compliance Statement (Attachment D-3)
 - (b) Subcontractor Project Participation Statement (Attachment D-4)
 - (c) MBE Waiver Documentation per COMAR 21.11.03.11 (if applicable)
 - (d) Any other documentation required by the Procurement Officer to ascertain bidder or Offeror responsibility in connection with the certified MBE participation goal.

If I am the apparent awardee, I acknowledge that if I fail to return each completed document within the required time, the Procurement Officer may determine that I am not responsible and therefore not eligible for contract award. If the contract has already been awarded, the award is voidable.

5. In the solicitation of subcontract quotations or offers, MBE subcontractors were provided not less than the same information and amount of time to respond as were non-MBE subcontractors.

I solemnly affirm under the penalties of perjury that the contents of this paper are true to the best of my knowledge, information, and belief.

Bidder/Offeror Name

Signature of Affiant

Address

Printed Name, Title

Date

SUBMIT THIS AFFIDAVIT WITH BID/PROPOSAL

Attachment D-2
MBE Participation Schedule
(for submission with bid or proposal)

This document shall be included with the submittal of the bid or offer. If the bidder or Offeror fails to submit this form with the bid or offer, the procurement officer shall deem the bid non-responsive or shall determine that the offer is not reasonably susceptible of being selected for award.

Prime Contractor (Firm Name, Address, Phone)	Project Description
Project Number	
List Information For Each Certified MBE Subcontractor On This Project	
Minority Firm Name	MBE Certification Number
Work To Be Performed/NAICS	
Percentage of Total Contract	
Minority Firm Name	MBE Certification Number
Work To Be Performed/NAICS	
Percentage of Total Contract	
Minority Firm Name	MBE Certification Number
Work To Be Performed/NAICS	
Percentage of Total Contract	

USE ATTACHMENT D-2 CONTINUATION PAGE AS NEEDED

SUMMARY

TOTAL MBE PARTICIPATION:	_____ %
TOTAL WOMAN-OWNED MBE PARTICIPATION:	_____ %
TOTAL AFRICAN AMERICAN-OWNED MBE PARTICIPATION:	_____ %

Document Prepared By: (please print or type)

Name: _____ Title: _____

ATTACHMENT D-2
 MBE Participation Schedule (continued)

List Information For Each Certified MBE Subcontractor On This Project	
Minority Firm Name	MBE Certification Number
Work To Be Performed/NAICS	
Percentage of Total Contract	
Minority Firm Name	MBE Certification Number
Work To Be Performed/NAICS	
Percentage of Total Contract	
Minority Firm Name	MBE Certification Number
Work To Be Performed/NAICS	
Percentage of Total Contract	
Minority Firm Name	MBE Certification Number
Work To Be Performed/NAICS	
Percentage of Total Contract	
Minority Firm Name	MBE Certification Number
Work To Be Performed/NAICS	
Percentage of Total Contract	

Attachment D-3
Outreach Efforts Compliance
Statement

In conjunction with the bid or offer submitted in response to Solicitation No. F10B9200003, I state the following:

1. Bidder/ Offeror took the following efforts to identify subcontracting opportunities in these specific work categories:

2. Attached to this form are copies of written solicitations (with bidding instructions) used to solicit certified MBEs for these subcontract opportunities.

3. Bidder/Offeror made the following attempts to contact personally the solicited MBEs:

4. Bidder/Offeror assisted MBEs to fulfill or to seek waiver of bonding requirements. (DESCRIBE EFFORTS)

- This project does not involve bonding requirements.

5. Bidder/Offeror did/did not attend the pre-bid/proposal conference
 No pre-bid/proposal conference was held.

Bidder/Offeror Name

By: _____
Name

Address

Title

Date

**ATTACHMENT D-4
Subcontractor Project Participation
Statement**

**Submit one form for each MBE
listed on the MBE Participation Schedule**

Provided that _____ is awarded the State contract in conjunction with
(Prime Contractor Name)
Solicitation No. F10B9200003, it and _____,
(Subcontractor Name)

MDOT Certification No. _____, intend to enter into a contract by which subcontractor shall:

(describe work) _____

- No bonds are required of Subcontractor
- The following amount and type of bonds are required of Subcontractor:

By: _____

By: _____

Prime Contractor Signature

Subcontractor Signature

Name

Name

Title

Title

Date

Date

ATTACHMENT D-5

This form is to be completed monthly by the prime contractor.

**Maryland Department of Budget and Management
Minority Business Enterprise Participation
Prime Contractor Paid/Unpaid MBE Invoice Report**

Report #: _____ Reporting Period (Month/Year): _____ Report is due by the 15th of the month following the month the services were provided.	Contract #: Contracting Unit: Contract Amount: MBE Subcontract Amt: Project Begin Date: Project End Date: Services Provided:
-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------------------------------------------------

Prime Contractor:		Contact Person:	
Address:			
City:		State:	ZIP:
Phone:	FAX:		
Subcontractor Name:		Contact Person:	
Phone:	FAX:		

Subcontractor Services Provided:																															
List all payments made to MBE subcontractor named above during this reporting period: <table style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:5%;"></th> <th style="width:40%; text-align: center;"><u>Invoice#</u></th> <th style="width:55%; text-align: center;"><u>Amount</u></th> </tr> </thead> <tbody> <tr><td>1.</td><td></td><td></td></tr> <tr><td>2.</td><td></td><td></td></tr> <tr><td>3.</td><td></td><td></td></tr> <tr> <td colspan="2">Total Dollars Paid: \$</td> <td>_____</td> </tr> </tbody> </table>		<u>Invoice#</u>	<u>Amount</u>	1.			2.			3.			Total Dollars Paid: \$		_____	List dates and amounts of any outstanding invoices: <table style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:5%;"></th> <th style="width:40%; text-align: center;"><u>Invoice #</u></th> <th style="width:55%; text-align: center;"><u>Amount</u></th> </tr> </thead> <tbody> <tr><td>1.</td><td></td><td></td></tr> <tr><td>2.</td><td></td><td></td></tr> <tr><td>3.</td><td></td><td></td></tr> <tr> <td colspan="2">Total Dollars Unpaid: \$</td> <td>_____</td> </tr> </tbody> </table>		<u>Invoice #</u>	<u>Amount</u>	1.			2.			3.			Total Dollars Unpaid: \$		_____
	<u>Invoice#</u>	<u>Amount</u>																													
1.																															
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Total Dollars Paid: \$		_____																													
	<u>Invoice #</u>	<u>Amount</u>																													
1.																															
2.																															
3.																															
Total Dollars Unpaid: \$		_____																													

**If more than one MBE subcontractor is used for this contract, you must use separate D-5 forms.

****Return one copy (hard or electronic) of this form to the following address (electronic copy with signature and date is preferred):**

MBE Officer
 Department of Budget and Management
 Procurement Unit
 45 Calvert Street, 1st Floor
 Annapolis, MD 21401
MBEOfficer@dbm.state.md.us

Signature: _____ Date: _____

ATTACHMENT D-6
Minority Business Enterprise Participation
Subcontractor Paid/Unpaid MBE Invoice Report

Report#: _____ Reporting Period (Month/Year): _____ Report is due by the 15th of the month following the month the services were performed.	Contract # _____ Contracting Unit: _____ MBE Subcontract Amount: _____ Project Begin Date: _____ Project End Date: _____ Services Provided: _____
-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------

MBE Subcontractor Name:																															
MDOT Certification #:																															
Contact Person:																															
Address:																															
City:	State: Maryland	ZIP:																													
Phone:	FAX:																														
Subcontractor Services Provided:																															
List all payments received from Prime Contractor during reporting period indicated above. <table style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:5%;"></th> <th style="width:40%; text-align: center;"><u>Invoice Amt</u></th> <th style="width:15%; text-align: center;"><u>Date</u></th> </tr> </thead> <tbody> <tr><td>1.</td><td></td><td></td></tr> <tr><td>2.</td><td></td><td></td></tr> <tr><td>3.</td><td></td><td></td></tr> <tr> <td colspan="3">Total Dollars Paid: \$ _____</td> </tr> </tbody> </table>		<u>Invoice Amt</u>	<u>Date</u>	1.			2.			3.			Total Dollars Paid: \$ _____			List dates and amounts of any unpaid invoices over 30 days old. <table style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:5%;"></th> <th style="width:40%; text-align: center;"><u>Invoice Amt</u></th> <th style="width:15%; text-align: center;"><u>Date</u></th> </tr> </thead> <tbody> <tr><td>1.</td><td></td><td></td></tr> <tr><td>2.</td><td></td><td></td></tr> <tr><td>3.</td><td></td><td></td></tr> <tr> <td colspan="3">Total Dollars Unpaid: \$ _____</td> </tr> </tbody> </table>		<u>Invoice Amt</u>	<u>Date</u>	1.			2.			3.			Total Dollars Unpaid: \$ _____		
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1.																															
2.																															
3.																															
Total Dollars Unpaid: \$ _____																															
Prime Contractor: _____ Contact Person _____																															

****Return one copy (hard or electronic) of this form to the following address (electronic copy with signature and date is preferred):**

MBE Officer Department of Budget and Management Procurement Unit 45 Calvert Street, 1 st Floor Annapolis, MD 21401 MBEOfficer@dbm.state.md.us

Signature: _____ Date: _____

ATTACHMENT E – REQUIREMENTS & QUALIFICATIONS DOCUMENTATION

**(Attachments May Be Included)
IMPORTANT NOTE: ALL ITEMS MUST BE ANSWERED**

1. Contractor (Include Name, Address, and Telephone Number)
2. Experience **Section 2.2**
~ Detail 3 years of collection experience.
3. References **Section 2.3**
~ List three with debt referral volumes at a minimum of 15,000 per year inclusive of period of service and collection rate achieved. (Include contact person and telephone number.)
4. Collection Procedures **Section 3.2**
~ Acknowledge understanding of the State’s policy/requirements.
5. Litigation **Section 3.4**
~ Acknowledge understanding of the State’s policy/requirements.
6. Remitting Collections **Section 3.5**
~ State actions/service that will be taken/provided.
7. State Offset Payments **Section 3.6**
~ Acknowledge understanding of the State’s policy/requirements.
8. Computer Capability **Section 3.7**
~ Acknowledge understanding of the State’s policy/requirements.
9. Compromise Settlements, Cancellation/Abatement, Suspension of Effort **Sections 3.8
and 3.9**
~ Acknowledge understanding of the State’s policy/requirements.
10. Reports **Section 3.10**
~ Acknowledge understanding of the State’s policy/requirements.
11. Records Inspection **Section 3.11**
~ Acknowledge understanding of the State’s policy/requirements.
12. Compliance With Law/Arrearages **Section 1.22
Contract § 13**
~ Acknowledge understanding of the State’s policy/requirements.
13. Maryland State Office and Licensing **Section 2.5**
~ Provide address of principal office.
14. Defalcation Bond **Section 1.34**
~ Acknowledge understanding of the State’s requirements.
15. Financial Statement **Section 2.6**
~ Attach a copy of the latest financial statements.
16. License **Section 2.5**
~ Attach a copy of the collection agency license.

17. Minority Business Enterprise (MBE) Participation

Section 1.9

~ Describe the nature of work assigned to each subcontractor to be performed in an effort to fulfill and ensure compliance of the MBE goal.

ATTACHMENT F – BID PRICE INSTRUCTIONS & FORM

1. In order to assist bidders in the preparation of their bids and to comply with the requirements of this solicitation, Attachment F - Bid Price Instructions & Form, has been prepared. Bidders shall submit their bids using Attachment F- Bid Form and in accordance with the instructions on the form and as specified herein.
2. The Bid Form is to be completed, signed and dated by an individual who is authorized to bind the bidder to the unit price as noted on Attachment F - Bid Price Instructions & Form.
3. For purposes of determining the most favorable bid price (as referenced in COMAR 21.05.02.13), Bids will be based on the lowest total price submitted.
4. No taxes, surcharges, or fees of any type, kind, or amount whatsoever may be added to the unit price contracted.
5. Do not change or alter the Attachment F bid form in any way to include conditions otherwise your bid will be rejected.
6. Bids shall be typewritten or written legibly in ink. All erasures shall be initialed in ink by the signer.
7. The commission rate bid is for the five-year term.

ATTACHMENT G – DIRECTIONS TO PRE-BID CONFERENCE

Department of Budget & Management
Auditorium
300 W. Preston Street
Baltimore, MD 21201

10:00 AM, Wednesday, December 17, 2008

From I-95: Exit I-395 North to Martin Luther King (MLK) Boulevard exit. Continue north on MLK to Eutaw Street. Turn left on Eutaw Street. Go one block and turn right on Preston Street. Go one block and turn left into Public Parking Lot. 300 W. Preston Street is next to the parking lot.

From I-695: Exit I-95 heading North. Exit I-395 North to Martin Luther King (MLK) Boulevard exit. Continue north on MLK to Eutaw Street. Turn left on Eutaw Street. Go one block and turn right on Preston Street. Go one block and turn left into Public Parking Lot. 300 W. Preston Street is next to the parking lot.

PARKING: There is limited on-street metered parking along Preston Street. There is a public parking lot on Preston Street. Parking is limited so allow adequate time to find parking.

ATTACHMENT H – ELECTRONIC FUNDS TRANSFER (EFT) FORM

State of Maryland
Comptroller of Maryland

Date of request _____

Business identification information (Address to be used in case of default to check):

Business name _____

Address line 1 _____

Address line 2 _____

City _____ State _____ Zip code

Taxpayer identification number:

Federal Employer Identification Number:

(or) Social Security Number:

Business contact name, title, e-mail and phone number including area code. (And address if different from above):

Financial institution information:

Name and address _____

Contact name, phone number (include area code), _____

ABA number

Account number

Checking Money Market Savings
Account type

Format Desired: _____ CCD _____ CCD+ _____ CTX* (Check one.)

*Note – There may be a charge to you by your bank with this format.

A VOIDED CHECK from the bank account shall be attached.

(OVER)

ATTACHMENT I – DESCRIPTION OF DEBTS

Description of Debts Frequently Sent to CCU

Subsequent Injury Fund (SIF)

The SIF bills insurance companies, self-insured employers, and uninsured employees at the rate of 6.5% of any permanent award or settlement paid to an individual injured on the job. Unpaid SIF assessments are referred to CCU for collection.

Uninsured Employers' Fund (UEF)

After a certain period of time, the UEF pays claims and awards ordered by the Workers' Compensation Commission (WCC) on behalf of covered employees injured in the course of their employment with an employer that was not covered by workers' compensation insurance. UEF refers to CCU the unreimbursed obligations of the uninsured employer.

Health Care Alternative Dispute Resolution

Before seeking damages against a doctor by lawsuit, the patient must file a claim with the Health Care Alternative Dispute Resolution Office and proceed to arbitration or alternatively waive arbitration and proceed to litigation. For cases that proceed to arbitration, the patient and/or doctor are billed for the cost of the arbitration. If not paid, the costs are referred to CCU for collection.

State Treasurer

Debts referred by the State Treasurer are typically for damages sustained by the State or its agencies against its property. After the State pays for the damages sustained and the claim is not reimbursed, the Treasurer refers the claim to CCU for collection against the party that caused the damages.

Assessments and Taxation (SDAT)

Debts owed to SDAT are typically unpaid gross receipt taxes billed to approximately 60 public service companies and late penalty fees charged by the State for the late filing of Personal Property Returns.

Injured Workers' Insurance Fund (IWIF)

Debts referred by IWIF to CCU for collection are unpaid workers' compensation insurance premium bills against both individuals and corporations and other entities.

State Highway Administration (SHA)

Debts referred by SHA are typically for damages sustained on or near State Highways under the responsibility of SHA. After the State pays for the damages sustained and the claim is not reimbursed, SHA refers the claim to CCU for collection against the party that caused the damages.

Motor Vehicle Administration (MVA)

Debts referred by MVA for collection are typically fines imposed against registered owners of motor vehicles who allowed their required motor vehicle insurance to lapse and also include checks returned unpaid for payments of fees and other obligations.

Natural Resources (DNR)

Debts referred by DNR include returned checks and for rent due the State for property leased from the agency.

Department of Health and Mental Hygiene (DHMH)

Debts referred to CCU by any of the State's hospitals or nursing homes are typically for the cost of patient care received at the facilities.

These include:

- Brandenburg
- Carter Center
- Deer's Head
- Eastern Shore Hospital
- Finan Center
- Holly Center
- Clifton T. Perkins Hospital
- Potomac Center
- Rosewood Center
- Springfield Hospital
- Spring Grove Hospital
- Upper Shore Community Center
- Western Maryland Hospital Center

Other debts include fees charged for other services provided by DHMH under its programs.

Local Health Departments

Debts referred to CCU by the local health departments are typically for out-service patient care provided by all 23 counties and Baltimore City.

Medical Care Program Administration

These are typically debts owed by private insurance companies to reimburse the Medical Care Program Administration. If the insurance policy does not cover debts, they are written off and the patient is not billed.

Department of Human Resources (DHR)

Debts referred by DHR are typically overpayments of Temporary Cash Assistance (TCA), Food Stamps, or Day Care Assistance. Referrals are made by all 23 counties in the State and Baltimore City.

Home Improvement Commission (MHIC)

Debts referred by MHIC are typically for debts owed by home improvement contractors as a result of final orders issued by the Commission against the contractor.

Department of Public Safety and Correctional Services

Debts referred to CCU are typically accounts comprising court ordered victim restitution and/or supervision fees.

State Colleges and Universities

Most bills referred to CCU for collection by the State's colleges and universities are for unpaid tuition, fees, parking fines, board, or student loans.

The colleges are:

- Baltimore City Community College
- Bowie State University
- Coppin State University
- Frostburg State University
- Morgan State University
- St. Mary's College of Maryland
- Salisbury University
- Towson University
- University of Baltimore
- University of Maryland Baltimore
- University of Maryland Baltimore County
- University of Maryland Eastern Shore
- University of Maryland College Park
- University of Maryland University College

Community Colleges

Since July 1, 1997, CCU was authorized by Maryland law to collect the debts of the State's community colleges if the college adopts a resolution for CCU to collect their accounts. Thirteen community colleges are currently referring their debts to CCU.

They are:

- Anne Arundel
- Baltimore City
- Carroll
- Cecil
- Chesapeake
- Frederick
- Garrett
- Hagerstown
- Harford
- Howard
- Montgomery
- Prince George's County
- Worcester-Wicomico

Department of the Environment (MDE)

Debts referred to CCU by MDE are typically fines for violating the State's environmental laws are for some sort of pollution clean up costs.

Returned Checks or Payroll Overpayments

Such types of debts are referred to CCU by all State agencies.

ATTACHMENT J – DEFALCATION BOND

Bond No. _____

DEFALCATION BOND

KNOW ALL MEN BY THESE PRESENTS: That we, _____,
_____ State of Maryland, (hereinafter called Principal), as Principal, and the
_____, a corporation of the State of Maryland,
as Surety, are held and firmly bound unto the State of Maryland, Central Collection Unit
(hereinafter called Insured), in the full and just sum of Two Hundred Fifty Thousand and 00/100
Dollars (\$250,000), to the payment of which, well and truly to be made, the Principal and Surety
hereby bind themselves, their heirs, executors, administrators, successors and assigns, jointly and
severally, firmly by these presents.

WHEREAS, the Principal and the insured have entered into a certain agreement under the
terms of which the Principal is appointed agent for the Insured (That agreement resulting from
Procurement Solicitation No. F10B9200003; and

WHEREAS, the Surety has agreed to execute and the Insured has agreed to accept this
bond under the agreement between the Principal and the Insured.

**THIS BOND IS EXECUTED AND ACCEPTED SUBJECT TO THE FOLLOWING
CONDITIONS AND LIMITATIONS:**

SECTION “A”

First: The Surety shall be liable hereunder for any loss caused by a default committed
by the Principal, if such default is discovered prior to the expiration of three hundred sixty-five
(365) days from the date of the commission of the default causing such loss.

Second: Regardless of the number of years this bond shall continue or be continued in
force and of the number of premiums that shall be payable or paid, the Surety shall not be liable
hereunder on account of defaults by the Principal for a larger amount in the aggregate than the
penal sum of this bond.

Third: The Surety shall not be liable hereunder on account of any money or other
property that may be applied by the Insured or the Principal, or otherwise, to the payment to the
Insured of any indebtedness of the Principal or of any shortage of the Principal originating prior
to the date hereof.

Fourth: This bond shall terminate as to future acts of the Principal immediately upon
discovery by the Insured of any fraudulent conversion on the part of the Principal, upon removal

of the Principal from his position as such agent or upon termination of the aforesaid agreement entered into by the Principal and the Insured, whichever shall first happen.

Fifth: The Insured and Surety shall share any recovery from any source (excluding suretyship and excluding reinsurance, collateral and indemnity taken by the Surety for its own benefit) made by either on account of any loss covered hereunder in the proportion that the amount of the loss borne by each bears to the total amount of such loss; and simultaneously with the payment of such loss, the Insured shall execute all instruments which the Surety may require to secure to it the rights provided for herein.

Sixth: Except as provided in Fourth, this bond shall be effective during the entire term of the agreement between the Principal and the Insured including any extension or option period.

Seventh: Immediately upon discovery by the Insured of any act of fraudulent conversion committed by the Principal, or of any act on the part of the Principal that would indicate that the Principal is unworthy of confidence, the Insured shall give the Surety notice thereof by telegram or registered letter addressed to the Surety at _____
_____.

Eighth: Within one hundred eighty (180) days after discovery as aforesaid of any act of fraudulent conversion causing a loss hereunder, the Insured shall file with the Surety affirmative proof of loss, itemized and duly sworn to on proof of loss form in use by the Surety, and shall, if requested by the Surety, produce from time to time, for examination by its representatives, all books, documents and records of the Insured pertaining to such loss.

Ninth: Any suit to recover against the Surety on account of loss hereunder shall be brought by the Insured before the expiration of twelve (12) months from the discovery, as aforesaid, of the default causing such loss.

Tenth: In case any limitation herein for giving notice, filing proof or bringing suit is prohibited or made void by any law controlling the construction hereof, such limitation shall be deemed to be amended so as to be equal to the minimum period of limitation permitted by such law.

Eleventh: The Surety hereby stipulates and agrees that no changes, extension of time, alteration or addition to the terms of the Contract or the work to be performed thereunder or the specifications accompanying the same shall in any way affect its obligations on the Bond and it does hereby waive notice of any such changes, extension of time, alteration or addition to the terms of the Contract or to the work or to the specifications.

Twelfth: This bond shall be governed by and continued in accordance with the laws of the State of Maryland any reference to Principal or Surety in the singular shall include all entities in the plural who or which are signatures under the Principal or Surety headings below.

Signed, sealed and dated this _____ day of _____, 200__.

_____ BY: _____

ACCEPTED:

BY: _____ BY: _____

ATTACHMENT K – PRE-BID CONFERENCE RESPONSE FORM

Project No. F10B9200003
Project Title: Statewide Debt Collection Services

A Pre-bid Conference will be held at **10:00 AM (Local Time), on Wednesday, December 17, 2008 at:**

Department of Budget & Management
300 W. Preston Street, Auditorium
Annapolis, MD 21201

For directions to the meeting site, See Attachment G – Directions to the Pre-Bid Conference or you may contact Ms. Andrea R. Lockett via e-mail at alockett@dbm.state.md.us or phone 410-260-7374.

E-mail or return this form to the Procurement Officer by 4:00 PM on Tuesday, December 16, 2008, advising whether or not you plan to attend this Conference:

Andrea R. Lockett
Department of Budget & Management
Office of Procurement Analysis & Administration
45 Calvert Street, Room 141
Annapolis, MD 21401
Phone: (410) 260-7374
Fax #: (410) 974-3274
Email: alockett@dbm.state.md.us

Please indicate:

_____ **Yes, the following representatives will be in attendance:**

- 1.
- 2.
- 3.

_____ **No, we will not be in attendance.**

Company/Firm/Vendor Name

Telephone

Contact Name

ATTACHMENT L – LIVING WAGE REQUIREMENTS AND AFFIDAVIT

Living Wage Requirements for Service Contracts

- A. This contract is subject to the Living Wage requirements under Title 18, State Finance and Procurement Article, Annotated Code of Maryland and the regulations proposed by the Commissioner of Labor and Industry. The Living Wage generally applies to a Contractor or Subcontractor who performs work on a State contract for services that is valued at \$100,000 or more. An employee is subject to the Living Wage if he/she is at least 18 years old or will turn 18 during the duration of the contract; works at least 13 consecutive weeks on the State Contract and spends at least one-half of the employee's time during any work week on the State Contract.
- B. The Living Wage Law does not apply to:
- (1) A Contractor who:
 - (A) has a State contract for services valued at less than \$100,000, or
 - (B) employs 10 or fewer employees and has a State contract for services valued at less than \$500,000.
 - (2) A Subcontractor who:
 - (A) performs work on a State contract for services valued at less than \$100,000,
 - (B) employs 10 or fewer employees and performs work on a State contract for services valued at less than \$500,000, or
 - (C) performs work for a contractor not covered by the Living Wage Law as defined in B(1)(B) above, or B (3) or C below.
 - (3) Service contracts for the following:
 - (A) services with a Public Service Company;
 - (B) services with a nonprofit organization;
 - (C) services with an officer or other entity that is in the Executive Branch of the State government and is authorized by law to enter into a procurement ("Unit"); or
 - (D) services between a Unit and a County or Baltimore City.
- C. If the Unit responsible for the State contract for services determines that application of the Living Wage would conflict with any applicable Federal program, the Living Wage does not apply to the contract or program.
- D. A Contractor must not split or subdivide a State contract for services, pay an employee through a third party, or treat an employee as an independent contractor or assign work to employees to avoid the imposition of any of the requirements of Title 18, State Finance and Procurement, Annotated Code of Maryland.

- E. Each Contractor/Subcontractor, subject to the Living Wage Law, shall post in a prominent and easily accessible place at the work site(s) of covered employees a notice of the Living Wage Rates, employee rights under the law, and the name, address, and telephone number of the Commissioner.
- F. The Commissioner of Labor and Industry shall adjust the wage rates by the annual average increase or decrease, if any, in the Consumer Price Index for all urban consumers for the Washington/Baltimore metropolitan area, or any successor index, for the previous calendar year, not later than 90 days after the start of each fiscal year. The Commissioner shall publish any adjustments to the wage rates on the Division of Labor and Industry's Website. An employer subject to the Living Wage Law must comply with the rate requirements during the initial term of the contract and all subsequent renewal periods, including any increases in the wage rate, required by the Commissioner, automatically upon the effective date of the revised wage rate.
- G. A Contractor/Subcontractor who reduces the wages paid to an employee based on the employer's share of the health insurance premium, as provided in §18-103(c), State Finance and Procurement Article, Annotated Code of Maryland, shall not lower an employee's wage rate below the minimum wage as set in §3-413, Labor and Employment Article, Annotated Code of Maryland. A Contractor/Subcontractor who reduces the wages paid to an employee based on the employer's share of health insurance premium shall comply with any record reporting requirements established by the Commissioner of Labor and Industry.
- H. A Contractor/Subcontractor may reduce the wage rates paid under §18-103(a), State Finance and Procurement, Annotated Code of Maryland, by no more than 50 cents of the hourly cost of the employer's contribution to an employee's deferred compensation plan. A Contractor/Subcontractor who reduces the wages paid to an employee based on the employer's contribution to an employee's deferred compensation plan shall not lower the employee's wage rate below the minimum wage as set in §3-413, Labor and Employment Article, Annotated Code of Maryland.
- I. Under Title 18, State and Finance Procurement Article, Annotated Code of Maryland, if the Commissioner determines that the Contractor/Subcontractor violated a provision of this title or regulations of the Commissioner, the Contractor/Subcontractor shall pay restitution to each affected employee, and the State may assess liquidated damages of \$20 per day for each employee paid less than the Living Wage.
- J. Information pertaining to reporting obligations may be found by going to the DLLR Website <http://www.dllr.state.md.us/> and clicking on Living Wage.

Affidavit of Agreement

Maryland Living Wage Requirements-Service Contracts

Contract No. _____

Name of Contractor _____

Address _____

City _____ State _____ Zip Code _____

If the Contract is Exempt from the Living Wage Law

The Undersigned, being an authorized representative of the above named Contractor, hereby affirms that the Contract is exempt from Maryland’s Living Wage Law for the following reasons (check all that apply):

- Bidder/Offeror is a nonprofit organization
- Bidder/Offeror is a public service company
- Bidder/Offeror employs 10 or fewer employees and the proposed contract value is less than \$500,000
- Bidder/Offeror employs more than 10 employees and the proposed contract value is less than \$100,000

If the Contract is a Living Wage Contract

A. The Undersigned, being an authorized representative of the above named Contractor, hereby affirms our commitment to comply with Title18, State Finance and Procurement Article, Annotated Code of Maryland and, if required, to submit all payroll reports to the Commissioner of Labor and Industry with regard to the above stated contract. The Bidder/Offeror agrees to pay covered employees who are subject to living wage at least the living rate in effect at the time service is provided for hours spent on State contract activities, and to ensure that its Subcontractors who are not exempt also pay the required living wage rate to their covered employees who are subject to the living wage for hours spent on a State contract for services. The Contractor agrees to comply with, and ensure its Subcontractors comply with, the rate requirements during the initial term of the contract and all subsequent renewal periods, including any increases in the wage rate established by the Commissioner of Labor and Industry, automatically upon the effective date of the revised wage rate.

Affidavit of Agreement
Maryland Living Wage Requirements-Service Contracts

B. _____ (initial here if applicable) The Bidder/Offeror affirms it has no covered employees for the following reasons: (check all that apply):

- _____ All employee(s) proposed to work on the contract will spend less than one-half of the employee's time during every work week on the State contract;
- _____ All employee(s) proposed to work on the contract will be 17 years of age or younger during the duration of the contract; or
- _____ All employee(s) proposed to work on the contract will work less than 13 consecutive weeks on the State contract.

The Commissioner of Labor and Industry reserves the right to request payroll records and other data that the Commissioner deems sufficient to confirm these affirmations at any time.

Name of Authorized Representative: _____

Signature of Authorized Representative

Date

Title

Witness Name (Typed or Printed)

Witness Signature

Date

ATTACHMENT M – NON-DISCLOSURE AGREEMENT

THIS NON-DISCLOSURE AGREEMENT (“Agreement”) is made as of this ____ day of _____, 2009, by and between the State of Maryland ("the State"), acting by and through its Department of Budget and Management (the “Department”) and _____ (“Contractor”).

RECITALS

WHEREAS, the Contractor has been awarded a contract (the “Contract”) for Statewide Debt Collection Services IFB No. F10B9200003 dated December 2, 2008, (the “IFB”); and

WHEREAS, in order for the Contractor to perform the work required under the Contract, it will be necessary for the State to provide the Contractor and the Contractor’s employees and agents (collectively the “Contractor’s Personnel”) with access to certain confidential information regarding the personal information of the individual requiring interpretation, including but not limited to their name, home address, social security number and court hearing information (the “Confidential Information”).

NOW, THEREFORE, in consideration of being given access to the Confidential Information in connection with the RFP and the Contract, and for other good and valuable consideration, the receipt and sufficiency of which the parties acknowledge, the parties do hereby agree as follows:

1. Confidential Information means any and all information provided by or made available by the State to the Contractor in connection with the Contract, regardless of the form, format, or media on or in which the Confidential Information is provided and regardless of whether any such Confidential Information is marked as such. Confidential Information includes, by way of example only, information that the Contractor views, takes notes from, copies (if the State agrees in writing to permit copying), possesses or is otherwise provided access to and use of by the State in relation to the Contract.
2. Contractor shall not, without the State’s prior written consent, copy, disclose, publish, release, transfer, disseminate, use, or allow access for any purpose or in any form, any Confidential Information provided by the State except for the sole and exclusive purpose of performing under the Contract. Contractor shall limit access to the Confidential Information to the Contractor’s Personnel who have a demonstrable need to know such Confidential Information in order to perform under the Contract and who have agreed in writing to be bound by the disclosure and use limitations pertaining to the Confidential Information. The names of the Contractor’s Personnel are attached hereto and made a part hereof as Exhibit A. Each individual whose name appears on Exhibit A shall execute a copy of this Agreement and thereby be subject to the terms and conditions of this Agreement to the same extent as the Contractor. Contractor shall update Exhibit A by adding additional names as needed, from time to time.
3. If the Contractor intends to disseminate any portion of the Confidential Information to non-employee agents who are assisting in the Contractor’s performance of the RFP or who will otherwise have a role in performing any aspect of the RFP, the Contractor shall first obtain the written consent of the State to any such dissemination. The State may grant, deny, or condition any such consent, as it may deem appropriate in its sole and absolute subjective discretion.

4. Contractor hereby agrees to hold the Confidential Information in trust and in strictest confidence, to adopt or establish operating procedures and physical security measures, and to take all other measures necessary to protect the Confidential Information from inadvertent release or disclosure to unauthorized third parties and to prevent all or any portion of the Confidential Information from falling into the public domain or into the possession of persons not bound to maintain the confidentiality of the Confidential Information.
5. Contractor shall promptly advise the State in writing if it learns of any unauthorized use, misappropriation, or disclosure of the Confidential Information by any of the Contractor's Personnel or the Contractor's former Personnel. Contractor shall, at its own expense, cooperate with the State in seeking injunctive or other equitable relief against any such person(s).
6. Contractor shall, at its own expense, return to the Department, all copies of the Confidential Information in its care, custody, control or possession upon request of the Department or on termination of the Contract.
7. A breach of this Agreement by the Contractor or by the Contractor's Personnel shall constitute a breach of the Contract between the Contractor and the State.
8. Contractor acknowledges that any failure by the Contractor or the Contractor's Personnel to abide by the terms and conditions of use of the Confidential Information may cause irreparable harm to the State and that monetary damages may be inadequate to compensate the State for such breach. Accordingly, the Contractor agrees that the State may obtain an injunction to prevent the disclosure, copying or improper use of the Confidential Information. The Contractor consents to personal jurisdiction in the Maryland State Courts. The State's rights and remedies hereunder are cumulative and the State expressly reserves any and all rights, remedies, claims and actions that it may have now or in the future to protect the Confidential Information and/or to seek damages from the Contractor and the Contractor's Personnel for a failure to comply with the requirements of this Agreement. In the event the State suffers any losses, damages, liabilities, expenses, or costs (including, by way of example only, attorneys' fees and disbursements) that are attributable, in whole or in part to any failure by the Contractor or any of the Contractor's Personnel to comply with the requirements of this Agreement, the Contractor shall hold harmless and indemnify the State from and against any such losses, damages, liabilities, expenses, and/or costs.
9. Contractor and each of the Contractor's Personnel who receive or have access to any Confidential Information shall execute a copy of an agreement substantially similar to this Agreement and the Contractor shall provide originals of such executed Agreements to the State.
10. The parties further agree that:
 - a. This Agreement shall be governed by the laws of the State of Maryland;
 - b. The rights and obligations of the Contractor under this Agreement may not be assigned or delegated, by operation of law or otherwise, without the prior written consent of the State;
 - c. The State makes no representations or warranties as to the accuracy or completeness of any Confidential Information;
 - d. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement;

- e. Signatures exchanged by facsimile are effective for all purposes hereunder to the same extent as original signatures; and
- f. The Recitals are not merely prefatory but are an integral part hereof.

Contractor/ Contractor's Personnel:

Maryland Department of Budget & Management:

By: _____(SEAL)

By: _____

Printed Name and Title: _____

Printed Name and Title _____

Date: _____

Date: _____

EXHIBIT A

**CONTRACTOR'S EMPLOYEES AND AGENTS WHO WILL BE GIVEN ACCESS TO
THE CONFIDENTIAL INFORMATION**

Printed Name and Address of Individual/Agent	Employee (E) or Agent (A)	Signature	Date
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

SUBMIT AS REQUIRED IN SECTION 1.36 OF THE IFB