



**STATE OF ARKANSAS**  
**OFFICE OF STATE PROCUREMENT**  
1509 West 7th Street, Room 300  
Little Rock, Arkansas 72201-4222

**INVITATION FOR BID**  
**BID SOLICITATION DOCUMENT**

SOLICITATION INFORMATION			
Bid Number:	SP-16-0187	Solicitation Issued:	August 29, 2016
Description:	Employment Verification System		
Agency:	Department of Human Services – Division of County Operations		

SUBMISSION DEADLINE FOR RESPONSE			
Bid Opening Date:	September 26, 2016	Bid Opening Time:	2:00 p.m., Central Time
Bids <b>shall not</b> be accepted after the designated bid opening date and time. In accordance with Arkansas Procurement Law and Rules, it is the responsibility of vendors to submit proposals at the designated location on or before the bid opening date and time. Bids received after the designated bid opening date and time <b>shall</b> be considered late and <b>shall</b> be returned to the vendor without further review. It is not necessary to return "no bids" to OSP.			

DELIVERY OF RESPONSE DOCUMENTS	
Delivery Address:	Office of State Procurement 1509 West 7 <sup>th</sup> Street, Room 300 Little Rock, AR 72201-4222  Delivery providers, USPS, UPS, and FedEx deliver mail to OSP's street address on a schedule determined by each individual provider. These providers will deliver to OSP based solely on the street address.
Bid's Outer Packaging:	Outer packaging <b>must</b> be sealed and should be properly marked with the following information. If outer packaging of proposal submission is not properly marked, the package may be opened for bid identification purposes. <ul style="list-style-type: none"><li>• Bid number</li><li>• Date and time of bid opening</li><li>• Vendor's name and return address</li></ul>

OFFICE OF STATE PROCUREMENT CONTACT INFORMATION			
OSP Buyer:	Shane Phillips	Buyer's Direct Phone Number:	501-324-9322
Email Address:	Jordan.Phillips@dfa.arkansas.gov	OSP's Main Number:	501-324-9316
OSP Website:	<a href="http://www.dfa.arkansas.gov/offices/procurement/Pages/default.aspx">http://www.dfa.arkansas.gov/offices/procurement/Pages/default.aspx</a>		

## **SECTION 1 - GENERAL INSTRUCTIONS AND INFORMATION**

### **1.1 PURPOSE**

The Office of State Procurement (OSP) issues this Invitation for Bid (IFB) on behalf of the Division of County Operations (DCO) of the Arkansas Department of Human Services (DHS) to obtain pricing and a contract for online employment verification services. The employment verification will be for Applicants applying for services rendered by DHS.

### **1.2 TYPE OF CONTRACT**

- A. A Term contract will be awarded to a single vendor.
- B. The term of this contract **shall** be for one (1) year. Upon mutual agreement by the vendor and agency, the contract may be renewed by OSP on a year-to-year basis, for up to six (6) additional one-year terms or a portion thereof.
- C. The total contract term **shall not** be more than seven (7) years.

### **1.3 ISSUING AGENCY**

OSP, as the issuing office, is the sole point of contact throughout this solicitation.

### **1.4 BID OPENING LOCATION**

Bids submitted by the opening time and date **shall** be opened at the following location:

Office of State Procurement  
1509 West Seventh Street, Room 300  
Little Rock, AR 72201-4222

### **1.5 DEFINITION OF REQUIREMENT**

- A. The words "**must**" and "**shall**" signify a Requirement of this solicitation and that vendor's agreement to and compliance with that item is mandatory.
- B. Exceptions taken to any Requirement in this *Bid Solicitation*, whether submitted in the vendor's bid or in subsequent correspondence, **shall** cause the vendor's bid to be disqualified.
- C. Vendor may request exceptions to NON-mandatory items. Any such request **must** be declared on, or as an attachment to, the appropriate section's *Agreement and Compliance Page*. Vendor **must** clearly explain the requested exception and should reference the specific solicitation item number to which the exception applies. (See *Agreement and Compliance Page*.)

### **1.6 DEFINITION OF TERMS**

- A. The State Procurement Official has made every effort to use industry-accepted terminology in this *Bid Solicitation* and will attempt to further clarify any point of an item in question as indicated in *Clarification of Bid Solicitation*.
- B. The words "bidder" and "vendor" are used synonymously in this document.
- C. The terms "Invitation for Bid", "IFB" and "Bid Solicitation" are used synonymously in this document.

### **1.7 CLARIFICATION OF BID SOLICITATION**

- A. Vendors may submit written questions requesting clarification of information contained in this *Bid Solicitation*. Written questions **must** be submitted by 4:00 p.m., Central Time on Tuesday September 6, 2016. Submit written questions by email to the OSP buyer as shown on page one (1) of this *Bid Solicitation*.
  - 1. For each question submitted, vendor should reference the specific solicitation item number to which the question refers.
  - 2. Vendors' written questions will be consolidated and responded to by the State. The State's consolidated written response is anticipated to be posted to the OSP website by the close of business on Monday September 12, 2016.

- B. Vendors may contact the OSP buyer with procurement-related questions at any time prior to the bid opening.
- C. Answers to verbal questions may be given as a matter of courtesy and **must** be evaluated at vendor's risk.

## 1.8 **RESPONSE DOCUMENTS**

### A. Bid Response Packet

1. An official authorized to bind the vendor(s) to a resultant contract **must** sign the *Bid Signature Page*.
2. Vendor's signature on this page **shall** signify vendor's agreement that either of the following **shall** cause the vendor's bid to be disqualified
  - Additional terms or conditions submitted intentionally or inadvertently.
  - Any exception that conflicts with a Requirement of this *Bid Solicitation*.
3. The following items should be submitted in the original *Bid Response Packet*.
  - a. EO 98-04 Disclosure Form. (See *Standard Terms and Conditions*, #27. *Disclosure*.)
  - b. Copy of Vendor's *Equal Opportunity Policy*. (See *Equal Opportunity Policy*.)
4. **DO NOT** include any other documents or ancillary information, such as a cover letter or promotional/marketing information.

### B. Agreement and Compliance Pages

1. Vendor **must** sign all *Agreement and Compliance Pages* relevant to each section of the *Bid Solicitation Document*. The *Agreement and Compliance Pages* are included in the *Bid Response Packet*.
2. Vendor's signature on these pages **shall** signify agreement to and compliance with all Requirements within the designated section.

### C. Official Bid Price Sheet. (See *Pricing*.)

1. Vendor's original *Official Bid Price Sheet* **must** be submitted in hard copy format.
2. Vendor should also submit one (1) electronic copy of the *Official Bid Price Sheet*, preferably on a flash drive. A CD will also be acceptable.

## 1.9 **PRICING**

- A. Vendor(s) **must** include all pricing only on the Official Price Sheet which is provided in the *Bid Response Packet*. Any cost not identified by the successful vendor but subsequently incurred in order to achieve successful operation **shall** be borne by the vendor.
- B. To allow time to evaluate proposals, prices **must** be valid for 90 days following the bid opening.
- C. Failure to complete and submit the *Official Bid Price Sheet* **shall** result in disqualification.
- D. All bid pricing **must** be in United States dollars and cents.
- E. The Official Bid Price Sheet may be reproduced as needed.

## 1.10 **PRIME CONTRACTOR RESPONSIBILITY**

- A. A joint bid submitted by two (2) or more vendors is acceptable. However, a single vendor **must** be identified as the prime contractor.
- B. The prime contractor **shall** be held responsible for the contract and **shall** be the sole point of contact.

**1.11 INDEPENDENT PRICE DETERMINATION**

- A. By submission of this bid, the vendor certifies, and in the case of a joint response, each party thereto certifies as to its own organization, that in connection with this bid:
- The prices in the bid have been arrived at independently, without collusion.
  - No prior information concerning these prices has been received from, or given to, a competitive company.
- B. Evidence of collusion **shall** warrant consideration of this bid by the Office of the Attorney General. All vendors **shall** understand that this paragraph may be used as a basis for litigation.

**1.12 PROPRIETARY INFORMATION**

- A. Response documents pertaining to this *Bid Solicitation* become the property of the State and are subject to the Arkansas Freedom of Information Act (FOIA).
- B. One (1) complete copy of the submission documents from which any proprietary information has been redacted should be submitted on a flash drive. A CD is also acceptable.
- C. Except for the redacted information, the redacted copy **must** be identical to the original hard copy, reflecting the same pagination as the original and showing the space from which information was redacted.
- D. The vendor **shall** be responsible for identifying all proprietary information and for ensuring the electronic copy is protected against restoration of redacted data.
- E. The redacted copy **shall** be open to public inspection under the Freedom of Information Act (FOIA) without further notice to the vendor.
- F. If a redacted copy of the submission documents is not provided with vendor's response packet, a copy of the non-redacted documents, with the exception of financial data (other than pricing), **shall** be released in response to any request made under the Arkansas Freedom of Information Act (FOIA).
- G. If the State deems redacted information to be subject to FOIA, the vendor will be contacted prior to release of the documents.

**1.13 CAUTION TO VENDORS**

- A. Prior to any contract award, all communication concerning this *Bid Solicitation* **must** be addressed through OSP.
- B. Vendor **must not** alter any language in any solicitation document provided by the State.
- C. Vendor **must not** alter the Official Bid Price Sheet.
- D. All official documents and correspondence related to this solicitation **shall** be included as part of the resultant contract.
- E. Bids **must** be submitted only in the English language.
- F. The State **shall** have the right to award or not award a contract, if it is in the best interest of the State to do so.
- G. Vendor **must** provide clarification of any information in their response documents as requested by OSP.
- H. Bids **must** meet or exceed all defined specifications as set forth in this *Bid Solicitation*.
- I. Bids **must** meet all terms and conditions of this Invitation for Bid and the laws of the State of Arkansas.
- J. Vendors may submit multiple bids.

**1.14 REQUIREMENT OF ADDENDUM**

- A. This *Bid Solicitation* **shall** be modified only by an addendum written and authorized by OSP.

- B. An addendum posted within three (3) calendar days prior to the bid opening **shall** extend the bid opening and may or may not include changes to the Bid Solicitation.
- C. The vendor **shall** be responsible for checking the OSP website, <http://www.arkansas.gov/dfa/procurement/bids/index.php>, for any and all addenda up to bid opening.

#### 1.15 **AWARD PROCESS**

##### A. Vendor Selection

- 1. Award of a TERM contract **shall** be made on an ALL or NONE basis to a single vendor.

##### B. Anticipation to Award

- 1. Once an anticipated successful vendor has been determined, the anticipated award will be posted on the OSP website at [http://www.arkansas.gov/dfa/procurement/pro\\_intent.php](http://www.arkansas.gov/dfa/procurement/pro_intent.php).
- 2. The anticipated award will be posted for a period of fourteen (14) days prior to the issuance of a contract. Vendors and agencies are cautioned that these are preliminary results only, and a contract will not be issued prior to the end of the fourteen day posting period.
- 3. OSP **shall** have the right to waive the policy of Anticipation to Award when it is in the best interest of the State.
- 4. It is the vendor's responsibility to check the OSP website for the posting of an anticipated award.

##### C. Issuance of Contract

- 1. Any resultant contract of this *Bid Solicitation* **shall** be subject to State approval processes which may include Legislative review and approval.
- 2. A State Procurement Official will be responsible for award and administration of any resulting contract.

#### 1.16 **MINORITY BUSINESS POLICY**

##### A. Minority is defined by Arkansas Code Annotated § 15-4-303 as a lawful permanent resident of this State who is:

- African American
- American Indian
- Asian American
- Hispanic American
- Pacific Islander American
- A Service Disabled Veteran as designated by the United States Department of Veteran Affairs

- B. The Arkansas Economic Development Commission conducts a certification process for minority businesses and disabled veterans. The vendor's Certification Number should be included on the vendor's *Bid Signature Page*.

#### 1.17 **EQUAL EMPLOYMENT OPPORTUNITY POLICY**

- A. In compliance with Arkansas Code Annotated § 19-11-104, OSP is required to have a copy of the vendor's *Equal Opportunity (EO) Policy* prior to issuing a contract award.
- B. *EO Policies* may be submitted in electronic format to the following email address: [eeopolicy.osp@dfa.arkansas.gov](mailto:eeopolicy.osp@dfa.arkansas.gov), but should also be included as a hardcopy accompanying the solicitation response.
- C. The submission of an *EO Policy* to OSP is a one-time Requirement. Vendors are responsible for providing updates or changes to their respective policies, and for supplying *EO Policies* upon request to other State agencies that must also comply with this statute.
- D. Vendors, who are not required by law by to have an *EO Policy*, **must** submit a written statement to that effect.

**1.18 PROHIBITION OF EMPLOYMENT OF ILLEGAL IMMIGRANTS**

- A. Pursuant to Arkansas Code Annotated § 19-11-105, prior to the award of a contract, selected vendor(s) **must** have a current certification on file with OSP stating that they do not employ or contract with illegal immigrants.
- B. OSP will notify the selected vendor(s) prior to award if their certification has expired or is not on file. Instructions for completing the certification process will be provided to the vendor(s) at that time.

**1.19 PAST PERFORMANCE**

In accordance with provisions of State Procurement Law, specifically OSP Rule R5:19-11-230(b)(1), a vendor's past performance with the State may be used to determine if the vendor is "responsible". Proposals submitted by vendors determined to be non-responsible shall be disqualified.

**1.20 COMPLIANCE WITH THE STATE SHARED TECHNICAL ARCHITECTURE PROGRAM**

The respondent's solution **must** comply with the state's shared Technical Architecture Program which is a set of policies and standards that can be viewed at: <http://www.dis.arkansas.gov/policiesStandards/Pages/default.aspx>. Only those standards which are fully promulgated or have been approved by the Governor's Office apply to this solution.

**1.21 VISA ACCEPTANCE**

- A. Awarded vendor should have the capability of accepting the State's authorized VISA Procurement Card (p-card) as a method of payment.
- B. Price changes or additional fee(s) **shall not** be levied against the State when accepting the p-card as a form of payment.
- C. VISA is not the exclusive method of payment.

**1.22 PUBLICITY**

- A. Vendors **shall not** issue a news release pertaining to this *Bid Solicitation* or any portion of the project without OSP's prior written approval.
- B. Failure to comply with this Requirement **shall** be cause for a vendor's bid to be disqualified.

**1.23 RESERVATION**

The State **shall not** pay costs incurred in the preparation of a bid.

## **SECTION 2 – MINIMUM REQUIREMENTS**

### **2.1 INTRODUCTION**

Successful vendor **must** provide an online web portal for an Employment Verification System (System) for State applicants applying for the Supplemental Nutrition Assistance Program (SNAP), Transitional Employment Assistance (TEA), and Medicaid programs.

Government service agencies that administer federal, State or local public assistance to low-income families and individuals are required to validate employment and income information provided by a program applicant. This validation allows Arkansas Department of Human Services (DHS) case workers to accurately determine program eligibility, track program benefits, support quality control, and investigate potential fraud.

Currently, only the Division of County Offices (DCO) will utilize the system and services specified in this IFB; however, other divisions or offices of DHS, or other State agencies, may wish to utilize the same system and services, or portions thereof, in the future. Any DHS division or office or any State agency that wishes to purchase the use of the same system and services, or a portion thereof, from the vendor may do so, and the vendor **shall** sell the services under the terms and conditions of the contract that results from this solicitation. If that DHS division or office or State agency wishes to contract only a portion of the services of this IFB, such as fewer users or fewer reports, that division, office, or agency **shall** have the right to negotiate a lower price for those reduced services.

### **2.2 VENDOR QUALIFICATIONS**

- A. Vendor **must** have an existing System in operation for a minimum of two years at the time of this IFB issue.
- B. Employer listing in the system **must** include a minimum of 183 of the 203 employers in the list of Key Employers as shown on Attachment A.

### **2.3 FUNCTIONAL REQUIREMENTS**

- A. The System **must** be web-based with a secure sign-on for:
  - Minimum 1,500 DHS Users
  - Minimum of 100 DHS Management Users.
  - Minimum of 5 DHS Super Users.
- B. Vendor **shall not** set a maximum number of users.
- C. Vendor **shall not** set a cap of any sort on the maximum number of searches or results.
- D. System **must not** limit the number of concurrent users actively using the system.
- E. The number of concurrent users actively using the System **must not** impact performance or results time.
- F. It is preferable that the System provide immediate information results; however, the System **must** provide information within a maximum of 48 hours of query.
- G. If results are not immediate, the user **must** be notified by email when the results are available, and the email **must** provide the results or instructions on how to access the results.
- H. The time of delivery of the email notification **shall** define the results timeline.
- I. If a queried employer is not in the database, the System **must** provide an immediate message stating such.
- J. Vendor's current System **must** provide information for a minimum of 1,000 employers that can provide earnings information for Arkansas citizens.
- K. Employer listing in the system **must** include a minimum of 183 of the 203 employers in the list of Key Employers as shown on Attachment A.

- L. The System **must** access the employment information by means of the User entering the applicant's social security number.
- M. The System **must** provide information regarding the applicant's employment status and/or income including, but not limited to:
  - 1. Employer's name
  - 2. Employer's address
  - 3. Employment status
  - 4. Employment dates
  - 5. Position title
  - 6. Medical and dental insurance coverage
  - 7. Pay rate
  - 8. Gross income details by pay period
    - a. The above information criteria **must** include a minimum of three years to present date, or the total dates, if less than three years.
- N. The System **must** provide the capability for DHS users to print a hard copy of the individual search results during the hours of 7:00 AM to 7:00 PM Central Time, seven days a week.

## 2.4 **ACCESS ROLES**

### A. Vendor Roles:

- 1. Vendor **shall** set up access in the system for initial list of DHS Users, DHS Management Users, and DHS Super Users.
  - a. The list of Users, Management Users, and Super Users will be provided to the vendor as an Excel spreadsheet.
  - b. The vendor **must** create the user name and initial password for each User, Management User, and Super User.
  - c. Supervisory groupings will be provided on the list, and Users **must** be set up under the domain of their designated Management User's supervisory group.
  - d. User information in system **must** include DHS division, office location, supervisory group, or any other designation as determined necessary by DHS.
- 2. Vendor **shall** add, delete, and/or change any Users sign on information as requested by DHS designated contact should the DHS designee be unable to process the action.

### B. DHS User Roles:

- 1. DHS Users **must** have basic access to search, view, and print eligibility information through a secure sign-on and password.

### C. DHS Management User Roles:

- 1. Management Users **must** have:
  - a. Basic access to search, view, and print eligibility information through a secure sign-on and password.



- b. The ability to add, delete, or change DHS Users access information in the system for Users within that Management User's supervisory group.
- c. The ability to reset passwords for Users in their supervisory group as needed.

D. DHS Super Users Roles:

1. DHS Super Users **must** have:

- a. Basic access to search, view, and print eligibility information through a secure sign-on and password.
- b. The ability to add, delete, or change DHS Users or Management Users access information in the system for all Users and Management Users.
- c. The ability to reset passwords for all Users and Management Users.
- d. The capability to sort the Users and Management Users by supervisory group.
- e. The capability to alter or move the listing of Users and Management Users among the supervisory groups, as well as reorganize which Users are in which supervisory groups.

H. All changes initiated by DHS Management Users or Super Users **must** update in real time.

**2.5 VENDOR CUSTOMER SUPPORT**

- A. Vendor **shall** provide Customer Support services to DHS to address and resolve access or website performance issues.
- B. Customer Support **must** be available to Management Users and Super Users by a toll-free phone number and by email during DHS business hours of 7:00 AM to 7:00 PM Central Time, Monday through Friday, excluding State holidays. A current listing of State holidays may be found on the Arkansas Secretary of State's website at <http://www.sos.arkansas.gov/aboutOffice/Pages/stateHolidayCalendar.aspx>.
  - 1. Phone Customer Support **must** be answered by a live person who can immediately assist with a resolution.
  - 2. Email Customer Support **must** respond by email within one business hour of receipt of email from DHS, and with that response be immediately available by email to assist with a resolution.
  - 3. Management Users and Super Users reporting a technical issue **shall** have the right to identify that issue as a "Minor", "Intermediate", or "Critical" issue based on that issue's impact to DHS business.
    - a. The final determination of which types of technical issues fall under each of the above categories **shall** be negotiated between DHS and the successful vendor prior to contract award.

**2.6 TRAINING**

- A. Vendor **shall** provide basic site navigation and System training for Users, Management Users, and Super Users, to consist of, at a minimum, an online tutorial which **must** be available throughout the contract duration and **must** be readily and easily accessed through that User's sign-on.

**2.7 IMPLEMENTATION, TESTING, AND ACCEPTANCE**

- A. An initial Implementation of the system for user testing **must** be complete by 30 days after contract award.
- B. Vendor **shall** be required to do system integration testing prior to initial implementation to ensure that the web portal is fully functional.
- C. DHS **shall** have the right to test the system prior to full implementation.

- D. If issues are found during vendor or DHS testing, the vendor **must** make adjustments to the system within an agreed upon time to address and correct the issues, with final determination of allowable timeframe determined by DHS.

## **2.8 REPORTING**

- A. Vendor **must** submit one monthly report and two quarterly reports to the DHS designee no later than the end of the calendar month following the conclusion of the monthly or quarterly reporting period.
- B. The reporting period **shall** begin on the first full month after the contract start date. DHS **shall** have the right to specify adjusted quarterly dates to align with their State determined reporting periods.
- C. Monthly reports **must** consist of but not be limited to the following information:
1. Total number of vendors in the System.
  2. Total number of hits per vendor for that month.
  3. Names of vendors who dropped out of the system.
  4. Names of vendors added to the system.
- D. Quarterly reports **must** consist of but not be limited to the following information:
1. The following information for that quarter
  2. The following information year to date
    - a. The number of DCO employees with access to system.
    - b. The number of DCO employees that used the system.
    - c. Names of DCO employees who accessed the employment verification system.
    - d. Names of DCO employees who did not access the employment verification system.
    - e. Last access date by each DCO.
    - f. Number of searches per DCO employee.
    - g. Number of informational results in relation to number of searches.
    - h. Total number of participating employers.
    - i. Number of times each employer is returned in information results.
    - j. Names of employers who dropped out of the system.
    - k. Names of employers who have been added to the system.
    - l. Other information as may be required by DHS.

- D. Reports **must** be delivered by email to the DHS designee as an Excel spreadsheet and in a format provided or approved by DHS.

## **2.9 SYSTEM UPTIME**

- A. System **must** be available during DHS operational hours of 7:00 AM through 7:00 PM Central Time, seven days a week.
- B. All system maintenance **must** occur after 7:00 PM and before 7:00 AM Central Time.

## 2.10 PERFORMANCE STANDARDS

- A. State law requires that all contracts for services include Performance Standards for measuring the overall quality of services provided. The table below identifies expected deliverables, performance measures, or outcomes; and defines the acceptable standards a vendor **must** meet in order to avoid assessment of damages.
- B. The State may be open to negotiations of Performance Standards prior to contract award, prior to the commencement of services, or at times throughout the contract duration.
- C. The State **shall** have the right to modify, add, or delete Performance Standards throughout the term of the contract, should the State determine it is in its best interest to do so. Any changes or additions to performance standards will be made in good faith following acceptable industry standards, and may include the input of the vendor so as to establish standards that are reasonably achievable.
- D. All changes made to the Performance Standards **shall** become an official part of the contract.
- E. Performance Standards **shall** continue throughout the term of the contract.
- F. Failure to meet the minimum Performance Standards as specified **shall** result in the assessment of damages.
- G. In the event a Performance Standard is not met, the vendor will have the opportunity to defend or respond to the insufficiency. The State **shall** have the right to waive damages if it determines there were extenuating factors beyond the control of the vendor that hindered the performance of services. In these instances, the State **shall** have final determination of the performance acceptability.
- H. Should any compensation be owed to the agency due to the assessment of damages, vendor **shall** follow the direction of the agency regarding the required compensation process.

**Figure 1: Performance Standards**

Service Criteria	Acceptable Performance	Compensation / Damages
Minor Technical Issue Resolution (Such as: Individual user(s) unable to access service due to system issue)	Minor issues resolved within 48 hours.	\$500.00 credit to monthly invoice for each instance that a Minor issue is not resolved within 48 hours
Intermediate Technical Issue Resolution (Such as: Regional or local office unable to access service due to system issue)	Intermediate issues resolved within 4 business hours.	\$750.00 credit to monthly invoice for each instance an Intermediate issue is not resolved in 4 business hours.
Critical Technical Issue Resolution (Such as: Statewide unable to access due to system issue)	Critical issues resolved within 2 business hours.	\$1000.00 credit to monthly invoice for each instance a Critical issue is not resolved in 2 business hours.
Quarterly Reporting Deadline	Reports due by the last business day of the month following the end of the quarter.	\$100 credit to monthly invoice for each business day the quarterly report is past due.
Loss of Key Employer	No key employers lost during duration of contract.	For each key employer lost, percentage decrease in monthly cost equal to the percentage of verifications to that employer for the duration of the contract or until that employer is reinstated. Percentage shall be determined by the total number of hits the vendor(s) received in the last full month they were included in the system.
Loss of employers from the system	Maintain a minimum of 1000 employers for the month.	1% credit off the original monthly cost of the contract to the monthly invoice for every 10 employers below the minimum employer count each month that the employer count is below required minimum.

### **SECTION 3 – GENERAL CONTRACTUAL REQUIREMENTS**

#### **3.1 PAYMENT AND INVOICE PROVISIONS**

- A. All invoices **shall** be forwarded to:  
  
 AR DHS ACCOUNTS PAYABLE  
 P.O. BOX 8068, SLOT W406  
 LITTLE ROCK AR 72203-8068
- B. Payment will be made in accordance with applicable State of Arkansas accounting procedures upon acceptance goods and services by the agency.
- C. The State **shall not** be invoiced in advance of delivery and acceptance of any goods or services.
- D. Payment will be made only after the vendor has successfully satisfied the agency as to the reliability and effectiveness of the goods or services purchased as a whole.
- E. The vendor should invoice the agency by an itemized list of charges. The agency's Purchase Order Number and/or the Contract Number should be referenced on each invoice.
- F. Other sections of this *Bid Solicitation* may contain additional Requirements for invoicing.
- G. Selected vendor **must** be registered to receive payment and future *Bid Solicitation* notifications. Vendors may register on-line at <https://www.ark.org/vendor/index.html>.

#### **3.2 GENERAL INFORMATION**

- A. The State **shall not** lease any equipment or software for a period of time which continues past the end of a fiscal year unless the contract allows for cancellation by the State Procurement Official upon a 30 day written notice to the vendor/lessor in the event funds are not appropriated.
- B. The State **shall not** contract with another party to indemnify and defend that party for any liability and damages.
- C. The State **shall not** pay damages, legal expenses or other costs and expenses of any other party.
- D. The State **shall not** continue a contract once any equipment has been repossessed.
- E. Any litigation involving the State **must** take place in Pulaski County, Arkansas.
- F. The State **shall not** agree to any provision of a contract which violates the laws or constitution of the State of Arkansas.
- G. The State **shall not** enter a contract which grants to another party any remedies other than the following:
  - 1. The right to possession.
  - 2. The right to accrued payments.
  - 3. The right to expenses of de-installation.
  - 4. The right to expenses of repair to return the equipment to normal working order, normal wear and tear excluded.
  - 5. The right to recover only amounts due at the time of repossession and any unamortized nonrecurring cost as allowed by Arkansas Law.
- H. The laws of the State of Arkansas **shall** govern this contract.
- I. A contract **shall not** be effective prior to award being made by a State Procurement Official.

- J. In a contract with another party, the State will accept the risk of loss of the equipment or software and pay for any destruction, loss or damage of the equipment or software while the State has such risk, when:
1. The extent of liability for such risk is based upon the purchase price of the equipment or software at the time of any loss, and
  2. The contract has required the State to carry insurance for such risk.

### 3.3 **CONDITIONS OF CONTRACT**

- A. The vendor **shall** at all times observe and comply with federal and State of Arkansas laws, local laws, ordinances, orders, and regulations existing at the time of, or enacted subsequent to the execution of a resulting contract which in any manner affect the completion of the work.
- A. The vendor **shall** indemnify and save harmless the agency and all its officers, representatives, agents, and employees against any claim or liability arising from or based upon the violation of any such law, ordinance, regulation, order or decree by an employee, representative, or subcontractor of the vendor.

### 3.4 **STATEMENT OF LIABILITY**

- A. The State will demonstrate reasonable care but will not be liable in the event of loss, destruction or theft of vendor-owned equipment or software and technical and business or operations literature to be delivered or to be used in the installation of deliverables and services. The vendor **shall** retain total liability for equipment, software and technical and business or operations literature. The State **shall** not at any time be responsible for or accept liability for any vendor-owned items.
- B. The vendor's liability for damages to the State **shall** be limited to the value of the Contract or \$5,000,000, whichever is higher. The foregoing limitation of liability **shall not** apply to claims for infringement of United States patent, copyright, trademarks or trade secrets; to claims for personal injury or damage to property caused by the gross negligence or willful misconduct of the vendor; to claims covered by other specific provisions of the Contract calling for damages; or to court costs or attorney's fees awarded by a court in addition to damages after litigation based on the Contract. The vendor and the State **shall not** be liable to each other, regardless of the form of action, for consequential, incidental, indirect, or special damages. This limitation of liability **shall not** apply to claims for infringement of United States patent, copyright, trademark or trade secrets; to claims for personal injury or damage to property caused by the gross negligence or willful misconduct of the vendor; to claims covered by other specific provisions of the Contract calling for damages; or to court costs or attorney's fees awarded by a court in addition to damages after litigation based on the Contract.
- C. Language in these terms and conditions **shall not** be construed or deemed as the State's waiver of its right of sovereign immunity. The vendor agrees that any claims against the State, whether sounding in tort or in contract, **shall** be brought before the Arkansas Claims Commission as provided by Arkansas law, and **shall** be governed accordingly.

### 3.5 **RECORD RETENTION**

- A. The vendor **shall** maintain all pertinent financial and accounting records and evidence pertaining to the contract in accordance with generally accepted principles of accounting and as specified by the State of Arkansas Law. Upon request, access **shall** be granted to State or Federal Government entities or any of their duly authorized representatives.
- B. Financial and accounting records **shall** be made available, upon request, to the State of Arkansas's designee(s) at any time during the contract period and any extension thereof, and for five (5) years from expiration date and final payment on the contract or extension thereof.
- C. Other sections of this *Bid Solicitation* may contain additional Requirements regarding record retention.

### 3.6 **CONFIDENTIALITY**

- A. The vendor, vendor's subsidiaries, and vendor's employees **shall** be bound to all laws and to all Requirements set forth in this *Bid Solicitation* concerning the confidentiality and secure handling of information of which they may become aware of during the course of providing services under a resulting contract.

- B. Consistent and/or uncorrected breaches of confidentiality may constitute grounds for cancellation of a resulting contract, and the State **shall** have the right to cancel the contract on these grounds.
- C. Previous sections of this *Bid Solicitation* may contain additional confidentiality Requirements.

### 3.7 **CONTRACT INTERPRETATION**

Should the State and vendor interpret specifications differently, either party may request clarification. However if an agreement cannot be reached, the determination of the State **shall** be final and controlling.

### 3.8 **CANCELLATION**

- A. In the event the State no longer needs the service or commodity specified in the contract or purchase order due to program changes, changes in laws, rules, or regulations, relocation of offices, or lack of appropriated funding. The State **shall** give the vendor written notice of cancellation, specifying the terms and the effective date of contract termination. The effective date of termination **shall** be 30 days from the date of notification, unless a longer timeframe is specified in the notification.
- B. Upon default of a vendor, the State **shall** agree to pay only sums due for goods and services received and accepted up to cancellation of the contract.

### 3.9 **SEVERABILITY**

If any provision of the contract, including items incorporated by reference, is declared or found to be illegal, unenforceable, or void, then both the agency and the vendor **shall** be relieved of all obligations arising under such provision. If the remainder of the contract is capable of performance, it **shall not** be affected by such declaration or finding and **shall** be fully performed.

## **SECTION 4 – STANDARD TERMS AND CONDITIONS**

- **Do not provide responses to items in this section.**
- 1. **GENERAL:** Any special terms and conditions included in this solicitation **shall** override these Standard Terms and Conditions. The Standard Terms and Conditions and any special terms and conditions **shall** become part of any contract entered into if any or all parts of the bid are accepted by the State of Arkansas.
- 2. **ACCEPTANCE AND REJECTION:** The State **shall** have the right to accept or reject all or any part of a bid or any and all bids, to waive minor technicalities, and to award the bid to best serve the interest of the State.
- 3. **BID SUBMISSION:** Original Proposal Packets **must** be submitted to the Office of State Procurement on or before the date and time specified for bid opening. The Proposal Packet **must** contain all documents, information, and attachments as specifically and expressly required in the *Bid Solicitation*. The bid **must** be typed or printed in ink. The signature **must** be in ink. Unsigned bids **shall** be disqualified. The person signing the bid should show title or authority to bind his firm in a contract. Multiple proposals **must** be placed in separate packages and should be completely and properly identified. Late bids **shall not** be considered under any circumstances.
- 4. **PRICES:** Bid unit price F.O.B. destination. In case of errors in extension, unit prices **shall** govern. Prices **shall** be firm and **shall not** be subject to escalation unless otherwise specified in the *Bid Solicitation*. Unless otherwise specified, the bid **must** be firm for acceptance for thirty days from the bid opening date. "Discount from list" bids are not acceptable unless requested in the *Bid Solicitation*.
- 5. **QUANTITIES:** Quantities stated in a *Bid Solicitation* for term contracts are estimates only, and are not guaranteed. Vendor **must** bid unit price on the estimated quantity and unit of measure specified. The State may order more or less than the estimated quantity on term contracts. Quantities stated on firm contracts are actual Requirements of the ordering agency.
- 6. **BRAND NAME REFERENCES:** Unless otherwise specified in the *Bid Solicitation*, any catalog brand name or manufacturer reference used in the *Bid Solicitation* is descriptive only, not restrictive, and used to indicate the type and quality desired. Bids on brands of like nature and quality will be considered. If bidding on other than referenced specifications, the bid **must** show the manufacturer, brand or trade name, and other descriptions, and should include the manufacturer's illustrations and complete descriptions of the product offered. The State **shall** have the right to determine whether a substitute offered is equivalent to and meets the standards of the item specified, and the State may require the vendor to supply additional descriptive material. The vendor **shall** guarantee that the product offered will meet or exceed specifications identified in this *Bid Solicitation*. Vendors not bidding an alternate to the referenced brand name or manufacturer **shall** be required to furnish the product according to brand names, numbers, etc., as specified in the solicitation.
- 7. **GUARANTY:** All items bid **shall** be newly manufactured, in first-class condition, latest model and design, including, where applicable, containers suitable for shipment and storage, unless otherwise indicated in the *Bid Solicitation*. The vendor hereby guarantees that everything furnished hereunder **shall** be free from defects in design, workmanship and material, that if sold by drawing, sample or specification, it **shall** conform thereto and **shall** serve the function for which it was furnished. The vendor **shall** further guarantee that if the items furnished hereunder are to be installed by the vendor, such items **shall** function properly when installed. The vendor **shall** guarantee that all applicable laws have been complied with relating to construction, packaging, labeling and registration. The vendor's obligations under this paragraph **shall** survive for a period of one year from the date of delivery, unless otherwise specified herein.
- 8. **SAMPLES:** Samples or demonstrators, when requested, **must** be furnished free of expense to the State. Each sample should be marked with the vendor's name and address, bid or contract number and item number. If requested, samples that are not destroyed during reasonable examination will be returned at vendor's expense. After reasonable examination, all demonstrators will be returned at vendor's expense.
- 9. **TESTING PROCEDURES FOR SPECIFICATIONS COMPLIANCE:** Tests may be performed on samples or demonstrators submitted with the bid or on samples taken from the regular shipment. In the event products tested fail to meet or exceed all conditions and Requirements of the specifications, the cost of the sample used and the reasonable cost of the testing **shall** be borne by the vendor.
- 10. **AMENDMENTS:** Vendor's proposals cannot be altered or amended after the bid opening except as permitted by regulation.
- 11. **TAXES AND TRADE DISCOUNTS:** Do not include State or local sales taxes in the bid price. Trade discounts should be deducted from the unit price and the net price should be shown in the bid.
- 12. **AWARD:** Term Contract: A contract award will be issued to the successful vendor. It results in a binding obligation without further action by either party. This award does not authorize shipment. Shipment is authorized by the receipt of a purchase order from the ordering agency. Firm Contract: A written State purchase order authorizing shipment will be furnished to the successful vendor.
- 13. **DELIVERY ON FIRM CONTRACTS:** This solicitation shows the number of days to place a commodity in the ordering agency's designated location under normal conditions. If the vendor cannot meet the stated delivery, alternate delivery schedules may become a factor in an award. The Office of State Procurement **shall** have the right to extend delivery if reasons appear valid. If the date is not acceptable, the agency may buy elsewhere and any additional cost **shall** be borne by the vendor.

14. **DELIVERY REQUIREMENTS:** No substitutions or cancellations are permitted without written approval of the Office of State Procurement. Delivery **shall** be made during agency work hours only 8:00 a.m. to 4:30 p.m. Central Time, unless prior approval for other delivery has been obtained from the agency. Packing memoranda **shall** be enclosed with each shipment.
15. **STORAGE:** The ordering agency is responsible for storage if the contractor delivers within the time required and the agency cannot accept delivery.
16. **DEFAULT:** All commodities furnished **shall** be subject to inspection and acceptance of the ordering agency after delivery. Back orders, default in promised delivery, or failure to meet specifications **shall** authorize the Office of State Procurement to cancel this contract or any portion of it and reasonably purchase commodities elsewhere and charge full increase, if any, in cost and handling to the defaulting contractor. The contractor **must** give written notice to the Office of State Procurement and ordering agency of the reason and the expected delivery date. Consistent failure to meet delivery without a valid reason may cause removal from the vendors list or suspension of eligibility for award.
17. **VARIATION IN QUANTITY:** The State assumes no liability for commodities produced, processed or shipped in excess of the amount specified on the agency's purchase order.
18. **INVOICING:** The contractor **shall** be paid upon the completion of all of the following: (1) submission of an original and the specified number of copies of a properly itemized invoice showing the bid and purchase order numbers, where itemized in the *Bid Solicitation*, (2) delivery and acceptance of the commodities and (3) proper and legal processing of the invoice by all necessary State agencies. Invoices **must** be sent to the "Invoice To" point shown on the purchase order.
19. **STATE PROPERTY:** Any specifications, drawings, technical information, dies, cuts, negatives, positives, data or any other commodity furnished to the contractor hereunder or in contemplation hereof or developed by the contractor for use hereunder **shall** remain property of the State, **shall** be kept confidential, **shall** be used only as expressly authorized, and **shall** be returned at the contractor's expense to the F.O.B. point provided by the agency or by OSP. Vendor **shall** properly identify items being returned.
20. **PATENTS OR COPYRIGHTS:** The contractor **must** agree to indemnify and hold the State harmless from all claims, damages and costs including attorneys' fees, arising from infringement of patents or copyrights.
21. **ASSIGNMENT:** Any contract entered into pursuant to this solicitation **shall not** be assignable nor the duties thereunder delegable by either party without the written consent of the other party of the contract.
22. **CLAIMS:** Any claims the Contractor may assert under this Agreement shall be brought before the Arkansas State Claims Commission ("Commission"), which shall have exclusive jurisdiction over any and all claims that the Contractor may have arising from or in connection with this Agreement. Unless the Contractor's obligations to perform are terminated by the State, the Contractor shall continue to provide the Services under this Agreement even in the event that the Contractor has a claim pending before the Commission.
23. **CANCELLATION:** In the event, the State no longer needs the commodities or services specified for any reason, (e.g., program changes; changes in laws, rules or regulations; relocation of offices; lack of appropriated funding, etc.), the State **shall** have the right to cancel the contract or purchase order by giving the vendor written notice of such cancellation thirty (30) days prior to the date of cancellation.  
  
Any delivered but unpaid for goods will be returned in normal condition to the contractor by the State. If the State is unable to return the commodities in normal condition and there are no funds legally available to pay for the goods, the contractor may file a claim with the Arkansas Claims Commission under the laws and regulations governing the filing of such claims. If upon cancellation the contractor has provided services which the State has accepted, the contractor may file a claim. **NOTHING IN THIS CONTRACT SHALL BE DEEMED A WAIVER OF THE STATE'S RIGHT TO SOVEREIGN IMMUNITY.**
24. **DISCRIMINATION:** In order to comply with the provision of Act 954 of 1977, relating to unfair employment practices, the vendor agrees that: (a) the vendor **shall not** discriminate against any employee or applicant for employment because of race, sex, color, age, religion, handicap, or national origin; (b) in all solicitations or advertisements for employees, the vendor **shall** state that all qualified applicants **shall** receive consideration without regard to race, color, sex, age, religion, handicap, or national origin; (c) the vendor will furnish such relevant information and reports as requested by the Human Resources Commission for the purpose of determining compliance with the statute; (d) failure of the vendor to comply with the statute, the rules and regulations promulgated thereunder and this nondiscrimination clause **shall** be deemed a breach of contract and it may be cancelled, terminated or suspended in whole or in part; (e) the vendor **shall** include the provisions of above items (a) through (d) in every subcontract so that such provisions **shall** be binding upon such subcontractor or vendor.
25. **CONTINGENT FEE:** The vendor guarantees that he has not retained a person to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, except for retention of bona fide employees or bona fide established commercial selling agencies maintained by the vendor for the purpose of securing business.
26. **ANTITRUST ASSIGNMENT:** As part of the consideration for entering into any contract pursuant to this solicitation, the vendor named on the *Proposal Signature Page* for this solicitation, acting herein by the authorized individual or its duly authorized agent, hereby assigns, sells and transfers to the State of Arkansas all rights, title and interest in and to all causes of action it may have under the antitrust laws of the United States or this State for price fixing, which causes of action have accrued prior to the date of this assignment and which relate solely to the particular goods or services purchased or produced by this State pursuant to this contract.
27. **DISCLOSURE:** Failure to make any disclosure required by Governor's Executive Order 98-04, or any violation of any rule, regulation, or policy adopted pursuant to that order, **shall** be a material breach of the terms of this contract. Any contractor,



whether an individual or entity, who fails to make the required disclosure or who violates any rule, regulation, or policy **shall** be subject to all legal remedies available to the agency.