The State of Ohio, through the Department of Administrative Services, Office of Procurement Services, for the Ohio Department of Developmental Disabilities, is requesting proposals for:

Statewide Financial Management Services For the Department of Developmental Disabilities’ Programs

RFP ISSUED: May 3, 2019
INQUIRY PERIOD BEGINS: May 3, 2019
INQUIRY PERIOD ENDS: May 24, 2019 at 8:00 a.m.
PROPOSAL DUE DATE: May 31, 2019 by 1:00 p.m.

Proposals received after the due date and time will not be evaluated.

OPENING LOCATION: Department of Administrative Services
Office of Procurement Services
ATTN: Bid Desk
4200 Surface Rd.
Columbus, OH 43228-1395

Offerors must note that all proposals and other material submitted will become the property of the state and may be returned only at the state's option. Proprietary information should not be included in a proposal or supporting materials because the state will have the right to use any materials or ideas submitted in any proposal without compensation to the offeror. Additionally, all proposals will be open to the public after the award of the contract has been posted on the State Procurement Web site. Refer to the Ohio Administrative Code, Section 123:5-1-08 (E).

This RFP consists of five (5) parts and nine (9) attachments, three (3) supplements, totaling 91 consecutively numbered pages. Please verify that you have a complete copy.
PART ONE: EXECUTIVE SUMMARY

PURPOSE. This is a Request for Competitive Sealed Proposals (RFP) under Section 125.071 of the Ohio Revised Code (ORC) and Section 123:5-1-08 of the Ohio Administrative Code (OAC). The Department of Administrative Services (DAS), Office of Procurement Services, on behalf of the Ohio Department of Developmental Disabilities (the Agency), is soliciting competitive sealed proposals (Proposals) for statewide Financial Management Services for the Department of Developmental Disabilities’ Programs and this RFP is the result of that request. If a suitable offer is made in response to this RFP, the State of Ohio (State), through DAS, may enter into a contract (the Contract) to have the selected Offeror (the Contractor) perform all or part of the Project (the Work). This RFP provides details on what is required to submit a Proposal for the Work, how the State will evaluate the Proposals, and what will be required of the Contractor in performing the Work.

This RFP also gives the estimated dates for the various events in the submission process, selection process, and performance of the Work. While these dates are subject to change, prospective Offerors must be prepared to meet them as they currently stand.

Once awarded, the term of the Contract will be from the award date through June 30, 2021. The State may solely renew this Contract at the discretion of DAS for a period of one month. Any further renewals will be by mutual agreement between the Contractor and DAS for any number of times and for any period of time. The cumulative time of all mutual renewals may not exceed four (4) years and are subject to and contingent upon the discretionary decision of the Ohio General Assembly to appropriate funds for this Contract in each new biennium. DAS may renew all or part of this Contract subject to the satisfaction of the performance of the Contractor and the needs of the Agency.

Any failure to meet a deadline in the submission or evaluation phases and any objection to the dates for performance of the Project may result in DAS refusing to consider the Proposal of the Offeror.

BACKGROUND.
The purpose of this RFP is to obtain one statewide Contractor to provide financial management services for the Individual Options (IO), Level One (LV1), and Self Empowered Life Funding (SELF) waiver programs operated by the Ohio Department of Developmental Disabilities (DODD). The Contractor must be experienced in providing financial management services to support participants in directing their own services enrolled on Home and Community-Based Services (HCBS) waiver programs.

Title XIX of the Social Security Act (Medicaid) was enacted in 1965 to provide grants to states for medical assistance programs. Medicaid is a matching entitlement program that provides necessary medical services to low income families, elderly individuals, and persons with disabilities. Under section 1915(c) of the Social Security Act, states are permitted to request, and the Secretary of the Department of Health and Human Services to approve, waivers of Federal requirements in order to provide HCBS to Medicaid eligible individuals who are at risk of institutionalization.

DODD operates three (3) Medicaid waivers for individuals with developmental disabilities: the SELF, LV1, and IO Waivers. To be eligible for enrollment in any of these waivers, individuals must be Medicaid-eligible and have a Developmental Disabilities (DD) level of care.

DODD began operating Ohio’s first participant-directed HCBS 1915(c) Medicaid waiver for individuals with developmental disabilities in July 2012. The SELF waiver requires that all participants on the waiver must exercise budget authority or employer authority for at least one service the individual receives under the waiver. Budget Authority, or the allowance to allocate resources to waiver service to manage an individual’s budget while remaining within the waiver’s cost limitations, is applicable to nine (9) of the waiver services under the SELF waiver. The services that are eligible for budget authority under the SELF waiver are: Clinical/Therapeutic Intervention, Community and Residential Respite, Functional Behavioral Assessment, Participant-Directed Homemaker/Personal Care (Routine and On-Site/On-Call), Participant-Directed Goods and Services (PDGS), Participant/Family Stability Assistance, Remove Support Assistive Technology, and Support Brokerage. The services that are excluded from budget authority are: Adult Day Support, Career Planning, Group Employment Support, Individual Employment Support, Non-Medical Transportation, Transportation, and Vocational Habilitation.

In addition, the SELF waiver allows for two (2) options for Employer Authority: Common Law Employer (where the individual is the Employer of Record) and Co-Employer (where the individual enters into an agreement with a third-party entity who will direct the worker on the individual’s behalf). Due to the diversity of economic areas in Ohio, and to help ensure statewide implementation of the SELF waiver, DODD is requiring the Offeror to engage in Co-Employer Authority in conjunction with the participant where circumstances warrant that arrangement. The Employer Authority option is applicable to six (6) services under the SELF waiver. Employer Authority can apply to Clinical/Therapeutic Intervention, Functional Behavioral Assessment, Participant-Directed Homemaker/Personal Care (Routine and On-Site/On-Call), Participant-Directed Goods and Services (PDGS), Participant/Family Stability Assistance, and Support Brokerage. Rate negotiation is also available to five (5) services that require Employer Authority. Those services are Clinical/Therapeutic Intervention, Participant-Directed Homemaker/Personal Care, Participant-Directed Goods and Services (PDGS), Participant/Family Stability Assistance, and Support Brokerage. The SELF waiver is available statewide and currently has approximately 1,700 enrollees. Enrollment in SELF is expected to reach approximately 3,000 participants by July 2019. Participants use the services of a fiscal agent to assist...
with the management of taxes (federal, state, and local), payroll processing, employment forms, and workers compensation. The annual budget limitation for a child enrolled in a SELF waiver is $25,000. The annual budget limitation for adults enrolled in SELF waiver is $40,000. Adult Day Supports, Vocational Habilitation, Non-Medical Transportation, Individual and Group Employment Support, and Career Planning are not available services for children enrolled in SELF.

In February 2018, the service Participant-Directed Homemaker/Personal Care was added to both the IO and LV1 waivers. If individuals enrolled in IO or LV1 choose to exercise their option of participant direction, they can exercise Employer Authority, including the ability to negotiate the rate for Participant-Directed Homemaker/Personal Care. However, there is only one option available in IO and LV1 for Employer Authority: Common Law Employer. The Co-Employer option for Employer Authority is not available in IO and LV1. Common Law requires the person enrolled to be the employer of record and the fiscal agent to manage taxes (federal, state and local), payroll processing, employment forms, and workers compensation. There are approximately 38,000 enrollees in IO and LV1 currently. New enrollment in IO and LV1 is expected to continue at 0.5% annually. No one who is currently enrolled in IO or LV1 has exercised the option of participant-directed at this time. Budget limitation for LV1 Participant-Directed Homemaker/Personal Care is $5,325 annually, plus access to $8,520 emergency funding every three (3) years. Budget limitations for the IO waiver are between $5,001 and the waiver cap.

OVERVIEW.
The purpose of this RFP is to obtain one statewide Contractor to provide financial management services for the Ohio Department of Developmental Disabilities waiver programs.

OBJECTIVES.
The State’s objective is to secure a Contractor to perform the project on behalf of the Ohio Department of Developmental Disabilities in accordance with the terms, conditions, and laws related to DODD’s SELF, IO, and LV1 waivers and any future initiatives related to the delivery of home and community-based services. If any future initiatives do not fit within the services listed on the cost summary form and/or additional requirements need added to the Contract, services and requirements will be negotiated with the Contractor and an amendment to the Contract will be completed. It will be the selected Contractor’s obligation to ensure that the personnel the Contractor provides are qualified to perform their portions of the project.

CALENDAR OF EVENTS. The schedule for the Project is given below, and is subject to change. DAS may change this schedule at any time. If DAS changes the schedule before the Proposal due date, it will do so through an announcement on the State Procurement Web site area for this RFP. The Web site announcement will be followed by an addendum to this RFP, also available through the State Procurement Web site. After the Proposal due date and before the award of the Contract, DAS will make scheduled changes through the RFP addendum process. DAS will make changes in the Project schedule after the Contract award through the change order provisions located in the general terms and conditions of the Contract. It is each prospective Offeror’s responsibility to check the Web site question and answer area for this RFP for current information regarding this RFP and its calendar of events through award of the Contract. No contact shall be made with agency/program staff until contract award is announced.

DATES:

Firm Dates
RFP Issued: May 3, 2019
Inquiry Period Begins: May 3, 2019
Inquiry Period Ends: May 24, 2019, at 8:00 a.m.
Proposal Due Date: May 31, 2019, by 1:00 p.m.

Estimated Dates
Contract Award Notification: TBD

NOTE: These dates are subject to change.

There are references in this RFP to the Proposal due date. Prospective Offerors must assume, unless it is clearly stated to the contrary, that any such reference means the date and time (Columbus, OH local time) that the Proposals are due.

Proposals received after 1:00 p.m. on the due date will not be evaluated.
PART TWO: STRUCTURE OF THIS RFP

ORGANIZATION. This RFP is organized into five (5) parts, nine (9) attachments and three (3) supplements. The parts and attachments are listed below.

PARTS:

Part One    Executive Summary
Part Two    Structure of this RFP
Part Three  General Instructions
Part Four   Evaluation of Proposals
Part Five   Award of the Contract

ATTACHMENTS:

Attachment One  Work Requirements and Special Provisions
  Part One   Work Requirements
  Part Two   Special Provisions
Attachment Two  Requirements for Proposals
Attachment Three General Terms and Conditions
  Part One   Performance and Payment
  Part Two   Work & Contract Administration
  Part Three Ownership & Handling of Intellectual Property & Confidential Information
  Part Four  Representations, Warranties, and Liabilities
  Part Five  Acceptance and Maintenance
  Part Six   Construction
  Part Seven Law & Courts
Attachment Four  Contract
Attachment Five  Offeror Profile Summary
  5-A    Offeror Profile Form
  5-B    Offeror Prior Project Form
  5-C    Offeror Prior Project Form
  5-D    Offeror Prior Project Form
Attachment Six  Offeror References
Attachment Seven Offeror’s Candidate Summary
  7-A    Offeror’s Candidate References
  7-B    Offeror’s Candidate Education, Training, Licensure, and Certifications
  7-C    Offeror’s Candidate Experience
Attachment Eight Offeror Performance Form
Attachment Nine  Cost Summary Form

SUPPLEMENTS:

Supplement One  FMS Invoice Process For Individual Options, Level One, and SELF Waivers
Supplement Two  Business Associate Agreement
Supplement Three  State Architecture, Security, Privacy, and Data Handling Requirements
PART THREE: GENERAL INSTRUCTIONS

The following sections provide details on how to get more information about this RFP and how to respond to this RFP. All responses must be complete and in the prescribed format.

CONTACTS. The following person will represent DAS:

Nicole Marisa  
Ohio Department of Administrative Services  
Office of Procurement Services  
4200 Surface Road  
Columbus, OH 43228-1395

During the performance of the Work, a State representative (the “Agency Project Representative”) will represent the Agency and be the primary contact for matters relating to the Work. The Agency Project Representative will be designated in writing after the Contract award.

INQUIRIES. Offerors may make inquiries regarding this RFP any time during the inquiry period listed in the Calendar of Events. To make an inquiry, Offerors must use the following process:

2. From the Quick Links Menu on the right, select “Bid Opportunities Search”.
3. In the “Document/Bid Number” field, enter the RFP number found on the first page of this RFP.
4. Click “Search” button.
5. On the Procurement Opportunity Search Results page, click the hyperlinked Document Number.
6. On the Procurement Opportunity Search Details page, click on the blue box with the words “Submit Inquiry”.
7. On the Opportunity Document Inquiry page, complete the required “Personal Information” section by providing:
   a. First and last name of the prospective Offeror’s representative who is responsible for the inquiry.
   b. Representative’s business phone number.
   c. Representative’s company name
   d. Representative’s e-mail address.
8. Type the inquiry in the space provided including:
   a. Reference the relevant part of this RFP.
   b. The heading for the provision under question.
   c. The page number of the RFP where the provision can be found.
9. Enter the Confirmation Number at the bottom of the page
10. Click the “Submit” button.

Offerors submitting inquiries will receive an immediate acknowledgement that their inquiry has been received as well as an e-mail acknowledging receipt of the inquiry. Offerors will not receive a personalized e-mail response to their question, nor will they receive notification when the question has been answered.

Offerors may view inquiries and responses using the following process:

2. From the “Quick Links” menu on the right, select “Bid Opportunities Search”.
3. In the “Document/Bid Number” field, enter the RFP number found on the first page of this RFP.
4. Click the “Search” button.
5. On the Procurement Opportunity Search Detail page, click on the blue box with the words “View Q and A”.
6. All inquiries with responses submitted to date are viewable.

DAS will try to respond to all inquiries within 48 hours of receipt, excluding weekends and State holidays. DAS will not respond to any inquiries received after 8:00 a.m. on the inquiry end date.

Offerors are to base their RFP responses, and the details and costs of their proposed projects, on the requirements and performance expectations established in this RFP for the future contract, not on details of any other potentially related contract or project. If Offerors ask questions about existing or past contracts using the Internet Q&A process, DAS will use its discretion in deciding whether to provide answers as part of this RFP process.
DAS is under no obligation to acknowledge questions submitted through the Q&A process if those questions are not in accordance with these instructions or deadlines.

**PROTESTS.** Any Offeror that objects to the award of a Contract resulting from the issuance of this RFP may file a protest of the award of the Contract, or any other matter relating to the process of soliciting the Proposals. Such protest must comply with the following information:

1. The protest must be filed by a prospective or actual offeror objecting to the award of a Contract resulting from the RFP. The protest must be in writing and contain the following information:
   
   a. The name, address, and telephone number of the protester;
   b. The name and number of the RFP being protested;
   c. A detailed statement of the legal and factual grounds for the protest, including copies of any relevant documents;
   d. A request for a ruling by DAS;
   e. A statement as to the form of relief requested from DAS; and
   f. Any other information the protester believes to be essential to the determination of the factual and legal questions at issue in the written request.

2. A timely protest will be considered by DAS, on behalf of the agency, if it is received by the DAS, Office of Procurement Services (OPS) within the following periods:

   a. A protest based on alleged improprieties in the issuance of the RFP, or any other event preceding the closing date for receipt of proposals which are apparent or should be apparent prior to the closing date for receipt of proposals, must be filed no later than five (5) business days prior to the proposal due date.
   b. If the protest relates to the recommendation of the evaluation committee for an award of the Contract, the protest must be filed as soon as practicable after the Offeror is notified of the decision by DAS regarding the Offeror's proposal.

3. An untimely protest may be considered by DAS at the discretion of DAS. An untimely protest is one received by the DAS OPS after the time periods set in paragraph 2 above. In addition to the information listed in paragraph 1, untimely protests must include an explanation of why the protest was not made within the required time frame.

4. All protests must be filed at the following location:

   Department of Administrative Services  
   Office of Procurement Services  
   4200 Surface Road  
   Columbus, OH 43228-1395

   SUBJECT: CSP901820 DDD007

This protest language only pertains to this RFP offering.

**ADDENDA TO THE RFP.** If DAS decides to revise this RFP before the Proposal due date, an addendum will be announced on the State Procurement Web site.

Offerors may view addenda using the following process:

2. From the "Quick Links menu on the right, select "Bid Opportunities Search".
3. In the "Document/Bid Number" field, enter the RFP number found on the first page of this RFP.
4. Click the "Search" button.
5. On the Procurement Opportunity Search Results page, click the hyperlinked Document Number.
6. On the Procurement Opportunity Search Detail page, under "Associated PDF Files", links to one or more Addendums, will be displayed. Click on the addenda hyperlink to view.

When an addendum to this RFP is necessary, DAS may extend the Proposal due date through an announcement on State Procurement Web site. It is the responsibility of each prospective Offeror to check for announcements and other current information regarding this RFP.

After the submission of Proposals, addenda will be distributed only to those Offerors whose submissions are under active consideration. When DAS issues an addendum to the RFP after Proposals have been submitted, DAS will permit Offerors to withdraw their Proposals.
This withdrawal option will allow any Offeror to remove its Proposal from active consideration should the Offeror feel that the addendum changes the nature of the transaction to the extent that the Offeror’s Proposal is no longer in its interests. Alternatively, DAS may allow Offerors that have Proposals under active consideration to modify their Proposals in response to the addendum, as described below.

Whenever DAS issues an addendum after the Proposal due date, DAS will tell all Offerors whose Proposals are under active consideration whether they have the option to modify their Proposals in response to the addendum. Any time DAS amends the RFP after the Proposal due date, an Offeror will have the option to withdraw its Proposal even if DAS permits modifications to the Proposals. If the Offerors are allowed to modify their Proposals, DAS may limit the nature and scope of the modifications. Unless otherwise stated in the notice by DAS, modifications and withdrawals must be made in writing and must be submitted within ten (10) business days after the addendum is issued. If this RFP provides for a negotiation phase, this procedure will not apply to changes negotiated during that phase. Withdrawals and modifications must be made in writing and submitted to DAS at the address and in the same manner required for the submission of the original Proposals. Any modification that is broader in scope than DAS has authorized may be rejected and treated as a withdrawal of the Offeror’s Proposal.

PROPOSAL SUBMITTAL. Each Offeror must submit a Technical Proposal and a Cost Proposal as part of its Proposal package. Proposals must be submitted as two (2) separate components (Technical Proposal and Cost Proposal) in separate sealed envelopes/packages. Each Technical Proposal package must be clearly marked “CSP901820 RFP – Technical Proposal” on the outside of each Technical Proposal package’s envelope. Each Cost Proposal package must be clearly marked “CSP901820 RFP – Cost Proposal” on the outside of each Cost Proposal package’s envelope. Each Offeror must submit one (1) original, completed and signed in blue ink, and nine (9) copies for a total of ten (10) Proposal packages.

The Offeror must also submit, in the sealed package, a complete copy of the Proposals on CD-ROM or flash drive in Microsoft Office (Word, Excel, or Project) 2003 or higher, format and/or PDF format as appropriate. In the event there is a discrepancy between the hard copy and the electronic copy, the hard copy will be the official Proposal. Proposals are due no later than the proposal due date, at 1:00 p.m. Proposals submitted by e-mail or fax are not acceptable and will not be considered.

If an Offeror includes in its proposal confidential, proprietary, or trade secret information, it must also submit a complete redacted version of its Technical Proposal in accordance with Confidential, Proprietary or Trade Secret Information that follows. Offerors shall only redact (black out) language that is exempt from disclosure pursuant to Ohio Public Records Act. Offerors must also submit an itemized list of each redaction with the corresponding statutory exemption from disclosure. The redacted version must be submitted as a paper copy as well as an electronic copy on CD ROM or flash drive in a searchable PDF format. The redacted version, as submitted, will be available for inspection and released in response to public records requests. If a redacted version is not submitted, the original submission of the proposal will be provided in response to public records requests.

Proposals must be submitted to:

Department of Administrative Services
Office of Procurement Services - Bid Desk
4200 Surface Road
Columbus, OH 43228-1395

DAS will reject any Proposals or unsolicited Proposal addenda that are received after the deadline. An Offeror that mails its Proposal must allow adequate mailing time to ensure its timely receipt. DAS recommends that Offerors submit proposals as early as possible. Proposals received prior to the deadline are stored, unopened, in a secured area until 1:00 p.m. on the due date. Offerors must also allow for potential delays due to increased security. DAS will reject late proposals regardless of the cause for the delay.

Each Offeror must carefully review the requirements of this RFP and the contents of its Proposal. Once opened, Proposals cannot be altered, except as allowed by this RFP. By submitting a Proposal, the Offeror acknowledges that it has read this RFP, understands it, and agrees to be bound by its requirements. DAS is not responsible for the accuracy of any information regarding this RFP that was gathered through a source different from the inquiry process described in the RFP.

ORC Section 9.24 prohibits DAS from awarding a Contract to any Offeror(s) against whom the Auditor of State has issued a finding for recovery if the finding for recovery is “unresolved” at the time of award. By submitting a Proposal, the Offeror warrants that it is not now, and will not become subject to an “unresolved” finding for recovery under Section 9.24, prior to the award of a Contract arising out of this RFP, without notifying DAS of such finding. ORC Section 9.231 applies to this contract.

DAS may reject any Proposal if the Offeror takes exception to the terms and conditions of this RFP, fails to comply with the procedure for participating in the RFP process, or the Offeror’s Proposal fails to meet any requirement of this RFP. Any question asked during the inquiry period will not be viewed as an exception to the Terms and Conditions.
CONFIDENTIAL, PROPRIETARY OR TRADE SECRET INFORMATION. DAS procures goods and services through a RFP in a transparent manner and in accordance with the laws of the State of Ohio. All proposals provided to DAS in response to this RFP become records of DAS and as such, will be open to inspection by the public after award unless exempt from disclosure under the Ohio Revised Code or another provision of law.

Unless specifically requested by the State, an Offeror should not voluntarily provide to DAS any information that the Offeror claims as confidential, proprietary or trade secret and exempt from disclosure under the Ohio Revised Code or another provision of law. Additionally, the Offeror must understand that all Proposals and other material submitted will become the property of the State and may be returned only at the State's option. Confidential, proprietary or trade secret information should not be voluntarily included in a Proposal or supporting materials because DAS will have the right to use any materials or ideas submitted in any Proposal without compensation to the Offeror.

However, if the State requests from the Offeror, or if the Offeror chooses to include, information it deems confidential, proprietary or trade secret information, the Offeror may so designate information as such and request that the information be exempt from disclosure under the Ohio Revised Code or another provision of law. The Offeror must clearly designate the part of the proposal that contains confidential, proprietary or trade secret information in order to claim exemption from disclosure by submitting both an unredacted copy and a redacted copy of its proposal in both electronic and paper (hard) format. Both electronic and paper (hard) copies shall be clearly identified as either "ORIGINAL COPY" or "REDACTED COPY". Failure to properly redact and clearly identify all copies will result in the State treating all information in the original proposal as a public record.

DAS will review the claimed confidential, proprietary or trade secret information to determine whether the material is of such nature that confidentiality is warranted.

The decision as to whether such confidentiality is appropriate rests solely with DAS. If DAS determines that the information marked as confidential, trade secret, or proprietary does not meet a statutory exception to disclosure, DAS will inform the Offeror, in writing, of the information DAS does not consider confidential.

Upon receipt of DAS’ determination that all or some portion of the Offeror’s designated information will not be treated as exempt from disclosure, the Offeror may exercise the following options:

1. Withdraw the Offeror’s entire Proposal;
2. Request that DAS evaluate the Proposal without the claimed confidential, proprietary or trade secret information; or
3. Withdraw the designation of confidentiality, trade secret, or proprietary information for such information.

In submitting a proposal, each Offeror agrees that DAS may reveal confidential, proprietary and trade secret information contained in the proposal to DAS staff and to the staff of other state agencies, any outside consultant or other third parties who serve on an evaluation committee or who are assisting DAS in development of specifications or the evaluation of proposals. The State shall require said individuals to protect the confidentiality of any specifically identified confidential, proprietary or trade secret information obtained as a result of their participation in the evaluation.

Finally, if information submitted in the Proposal is not marked as confidential, proprietary or trade secret, it will be determined that the Offeror waived any right to assert such confidentiality.

DAS will retain all Proposals, or a copy of them, as part of the Contract file for at least ten (10) years. After the retention period, DAS may return, destroy, or otherwise dispose of the Proposals or the copies.

WAIVER OF DEFECTS. DAS may waive any defects in any Proposal or in the submission process followed by an Offeror. DAS will only do so if it believes that it is in the State’s interests and will not cause any material unfairness to other Offerors.

MULTIPLE OR ALTERNATE PROPOSALS. DAS accepts multiple Proposals from a single Offeror, but DAS requires each such Proposal be submitted separately from every other Proposal the Offeror makes. Additionally, the Offeror must treat every Proposal submitted as a separate and distinct submission and include in each Proposal all materials, information, documentation, and other items this RFP requires for a Proposal to be complete and acceptable. No alternate Proposal may incorporate materials by reference from another Proposal made by the Offeror or refer to another Proposal. DAS will judge each alternate Proposal on its own merit.

ADDENDA TO PROPOSALS. Addenda or withdrawals of Proposals will be allowed only if the addendum or withdrawal is received before the Proposal due date. No addenda or withdrawals will be permitted after the due date, except as authorized by this RFP.

PROPOSAL INSTRUCTIONS. Each Proposal must be organized in an indexed binder ordered in the same manner as the response items are ordered in Attachment Two of this RFP.
DAS wants clear and concise Proposals. Offerors should, however, take care to completely answer questions and meet the RFP’s requirements thoroughly. All Offerors, including current contract holders, if applicable, must provide detailed and complete responses as Proposal evaluations, and subsequent scores, are based solely on the content of the Proposal.

No assumptions will be made or values assigned for the competency of the Offeror whether or not the Offeror is a current or previous contract holder.

The requirements for the Proposal’s contents and formatting are contained in an attachment to this RFP.

DAS will not be liable for any costs incurred by an Offeror in responding to this RFP, regardless of whether DAS awards the Contract through this process, decides not to go forward with the Project, cancels this RFP for any reason, or contracts for the Project through some other process or by issuing another RFP.
PART FOUR: EVALUATION OF PROPOSALS

EVALUATION OF PROPOSALS. The evaluation process consists of, but is not limited to, the following steps:

1. Certification. DAS shall open only those proposals certified as timely by the Auditor of State.

2. Initial Review. DAS will review all certified Proposals for format and completeness. DAS normally rejects any incomplete or incorrectly formatted Proposal, though it may waive any defects or allow an Offeror to submit a correction. If the Offeror meets the formatting and mandatory requirements listed herein, the State will continue to evaluate the proposal.

3. Proposal Evaluation. The DAS procurement representative responsible for this RFP will forward all timely, complete, and properly formatted Proposals to an evaluation committee, which the procurement representative will chair. The evaluation committee will rate the Proposals submitted in response to this RFP based on criteria and weight assigned to each criterion.

   The evaluation committee will evaluate and numerically score each Proposal that the procurement representative has determined to be responsive to the requirements of this RFP. The evaluation will be according to the criteria contained in this Part of the RFP. An attachment to this RFP may further refine these criteria, and DAS has a right to break these criteria into components and weight any components of a criterion according to their perceived importance.

   The evaluation committee may also have the Proposals or portions of them reviewed and evaluated by independent third parties or various State personnel with technical or professional experience that relates to the Work or to a criterion in the evaluation process. The evaluation committee may also seek reviews of end users of the Work or the advice or evaluations of various State committees that have subject matter expertise or an interest in the Work. In seeking such reviews, evaluations, and advice, the evaluation committee will first decide how to incorporate the results in the scoring of the Proposals. The evaluation committee may adopt or reject any recommendations it receives from such reviews and evaluations.

   The evaluation will result in a point total being calculated for each Proposal. At the sole discretion of DAS, any Proposal, in which the Offeror received a significant number of zeros for sections in the technical portions of the evaluation, may be rejected.

   DAS will document all major decisions in writing and make these a part of the Contract file along with the evaluation results for each Proposal considered.

4. Clarifications & Corrections. During the evaluation process, DAS may request clarifications from any Offeror under active consideration and may give any Offeror the opportunity to correct defects in its Proposal if DAS believes doing so does not result in an unfair advantage for the Offeror and it is in the State's best interests. Any clarification response that is broader in scope than what DAS has requested may result in the Offeror's proposal being disqualified.

5. Interviews, Demonstrations, and Presentations. DAS may require top Offerors to be interviewed. Such presentations, demonstrations, and interviews will provide an Offeror with an opportunity to clarify its Proposal and to ensure a mutual understanding of the Proposal's content. This will also allow DAS an opportunity to test or probe the professionalism, qualifications, skills, and work knowledge of the proposed candidates. The presentations, demonstrations, and interviews will be scheduled at the convenience and discretion of DAS. DAS may record any presentations, demonstrations, and interviews. No more than the top three (3) Proposals may be requested to present an oral presentation of their proposed Work Plan to the evaluation committee.

6. Contract Negotiations. Negotiations will be scheduled at the convenience of DAS. The selected Offeror(s) are expected to negotiate in good faith.

   a. General. Negotiations may be conducted with any Offeror who submits a competitive Proposal, but DAS may limit discussions to specific aspects of the RFP. Any clarifications, corrections, or negotiated revisions that may occur during the negotiations phase will be reduced to writing and incorporated in the RFP, or the Offeror's Proposal, as appropriate. Negotiated changes that are reduced to writing will become a part of the Contract file open to inspection to the public upon award of the Contract. Any Offeror whose response continues to be competitive will be accorded fair and equal treatment with respect to any clarification, correction, or revision of the RFP and will be given the opportunity to negotiate revisions to its Proposal based on the amended RFP.

   b. Top-ranked Offeror. Should the evaluation process have resulted in a top-ranked Proposal, DAS may limit negotiations to only that Offeror and not hold negotiations with any lower-ranking Offeror. If negotiations are unsuccessful with the top-ranked Offeror, DAS may then go down the line of remaining Offerors, according to
rank, and negotiate with the next highest-ranking Offeror. Lower-ranking Offerors do not have a right to participate in negotiations conducted in such a manner.

c. Negotiation with Other Offerors. If DAS decides to negotiate with all the remaining Offerors, or decides that negotiations with the top-ranked Offeror are not satisfactory and negotiates with one or more of the lower-ranking Offerors, DAS will then determine if an adjustment in the ranking of the remaining Offerors is appropriate based on the negotiations. The Contract award, if any, will then be based on the final ranking of Offerors, as adjusted.

Negotiation techniques that reveal one Offeror’s price to another or disclose any other material information derived from competing Proposals are prohibited. Any oral modification of a Proposal will be reduced to writing by the Offeror as described below.

d. Post Negotiation. Following negotiations, DAS may set a date and time for the submission of best and final Proposals by the remaining Offeror(s) with which DAS conducted negotiations. If negotiations were limited and all changes were reduced to signed writings during negotiations, DAS need not require the submissions of best and final Proposals.

It is entirely within the discretion of DAS whether to permit negotiations. An Offeror must not submit a Proposal assuming that there will be an opportunity to negotiate any aspect of the Proposal. DAS is free to limit negotiations to particular aspects of any Proposal, to limit the Offerors with whom DAS wants to negotiate, and to dispense with negotiations entirely.

DAS generally will not rank negotiations. The negotiations will normally be held to correct deficiencies in the preferred Offeror’s Proposal. If negotiations fail with the preferred Offeror, DAS may negotiate with the next Offeror in ranking. Alternatively, DAS may decide that it is in the interests of the State to negotiate with all the remaining Offerors to determine if negotiations lead to an adjustment in the ranking of the remaining Offerors.

From the opening of the Proposals to the award of the Contract, everyone working on behalf of the State to evaluate the Proposals will seek to limit access to information contained in the Proposals solely to those people with a need to know the information. They will also seek to keep this information away from other Offerors, and the evaluation committee will not be allowed to tell one Offeror about the contents of another Offeror’s Proposal in order to gain a negotiating advantage.

Before the award of the Contract or cancellation of the RFP, any Offeror that seeks to gain access to the contents of another Offeror’s Proposal may be disqualified from further consideration.

The written changes will be drafted and signed by the Offeror and submitted to DAS within a reasonable period of time. If DAS accepts the change, DAS will give the Offeror written notice of DAS’ acceptance. The negotiated changes to the successful offer will become a part of the Contract.

e. Failure to Negotiate. If an Offeror fails to provide the necessary information for negotiations in a timely manner, or fails to negotiate in good faith, DAS may terminate negotiations with that Offeror and collect on the Offeror’s proposal bond, if a proposal bond was required in order to respond to this RFP.

7. Best and Final Offer. If best and final proposals, or best and final offers (BAFOs), are required, they may be submitted only once; unless DAS makes a determination that it is in the State’s interest to conduct additional negotiations. In such cases, DAS may require another submission of best and final proposals. Otherwise, discussion of or changes in the best and final proposals will not be allowed. If an Offeror does not submit a best and final proposal, the Offeror’s previous Proposal will be considered the Offeror’s best and final proposal.

8. Determination of Responsibility. DAS may review the highest-ranking Offerors or its key team members to ensure that the Offeror is responsible. The Contract may not be awarded to an Offeror that is determined not to be responsible. DAS’ determination of an Offeror’s responsibility may include the following factors: the experience of the Offeror and its key team members; past conduct and past performance on previous contracts; ability to execute this contract properly; and management skill. DAS will make such determination of responsibility based on the Offeror’s Proposal, reference evaluations, and any other information DAS requests or determines to be relevant.

9. Reference Checks. DAS may conduct reference checks to verify and validate the Offeror’s or proposed candidate’s past performance. Reference checks indicating poor or failed performance by the Offeror or proposed candidate may be cause for rejection of the proposal. In addition, failure to provide requested reference contact information may result in DAS not including the referenced experience in the evaluation process.

The reference evaluation will measure the criteria contained in this part of the RFP as it relates to the Offeror’s previous contract performance including, but not limited to, its performance with other local, state, and federal entities. DAS reserves the right to check references other than those provided in the Offeror’s Proposal. DAS may
obtain information relevant to criteria in this part of the RFP, which is deemed critical to not only the successful operation and management of the Project, but also the working relationship between the State and the Offeror.

10. **Financial Ability.** Part of the Proposal evaluation criteria is the qualifications of the Offeror which may include, as a component, the Offeror's financial ability to perform the Contract. This RFP may expressly require the submission of financial statements from all Offerors in the Proposal contents attachment. If the Proposal contents attachment does not make this an expressed requirement, the State may still request that an Offeror submit audited financial statements for up to the past three (3) years if the State is concerned that an Offeror may not have the financial ability to carry out the Contract.

In evaluating an Offeror's financial ability, if requested, the State will review the documentation provided by the Offeror to determine if the Offeror's financial position is adequate or inadequate. If the State believes the Offeror's financial ability is not adequate, the State may reject the Proposal despite its other merits.

DAS will decide which phases are necessary. DAS has the right to eliminate or add phases at any time in the evaluation process.

To maintain fairness in the evaluation process, all information sought by DAS will be obtained in a manner such that no Offeror is provided an unfair competitive advantage.

**MANDATORY REQUIREMENTS.** The following Table 1 contains items that are considered minimum requirements for this RFP.

Determining the Offeror's ability to meet the minimum requirements is the first step of the DAS evaluation process. The Offeror must demonstrate, to DAS, it meets all minimum requirements listed in the Mandatory Requirements section (Table 1). The Offeror’s response to the minimum requirements must be clearly labeled "Mandatory Requirements" and collectively contained in Tab 1 of the Offeror's Proposal in the “Cover Letter and Mandatory Requirements” section. (Refer to Attachment Two of the RFP document for additional instructions.)

DAS will evaluate Tab 1, alone, to determine whether the Proposal meets all Mandatory Requirements. If the information contained in Tab 1 does not clearly meet every Mandatory Requirement, the Proposal may be disqualified by DAS and DAS may not evaluate any other portion of the Proposal.

<table>
<thead>
<tr>
<th>TABLE 1 - MANDATORY PROPOSAL REQUIREMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mandatory Requirements</td>
</tr>
<tr>
<td>1. Offeror has shown evidence of approval from the IRS under Section 3504 of the IRS code and IRS Revenue Procedure 70-6 to operate as a Fiscal/Employer Agent. Offer shall submit copy of official notice from IRS indicating approval as F/EA in accordance with Sec 3504 IRS Rev. Proc 70-6.</td>
</tr>
<tr>
<td>2. The Offeror has shown evidence that they are capable of operating by reimbursement only. Funds will not be advanced to the selected Offeror. A letter from the Offeror’s financial institution must be provided as evidence that the Offeror’s funds are not encumbered in any way (i.e. liens, judgements, etc.) that would render the Offeror unable to reimburse the State’s providers.</td>
</tr>
</tbody>
</table>

If the State receives no Proposals meeting all of the Mandatory Requirements, the State may elect to cancel this RFP.

**PROPOSAL EVALUATION CRITERIA.** If the Offeror provides sufficient information to DAS, in Tab 1, of its proposal, demonstrating it meets the Mandatory Requirements, the Offeror’s Proposal will be included in the next part of the evaluation process which involves the scoring of the Proposal Technical Requirements, followed by the scoring of the Cost Proposals. In the Proposal evaluation phase, the evaluation committee rates the Proposals submitted in response to this RFP based on the following listed criteria and the weight assigned to each criterion. The maximum available points allowed in this RFP are distributed as indicated in Table 2 - Scoring Breakdown.
TABLE 2 - SCORING BREAKDOWN

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Maximum Available Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposal Technical Requirements</td>
<td>1,405 Points</td>
</tr>
<tr>
<td>Proposal Cost</td>
<td>351 Points</td>
</tr>
<tr>
<td>Maximum Available Points</td>
<td>1,756 Points</td>
</tr>
</tbody>
</table>

DAS will apply the Veterans Friendly Business Enterprise preference as required by ORC 9.318 and OAC 123:5-1-16.

The scale below (0-5) will be used to rate each proposal on the criteria listed in the Technical Proposal Evaluation table.

<table>
<thead>
<tr>
<th>DOES NOT MEET (0 pts.)</th>
<th>WEAK (1 pt.)</th>
<th>WEAK TO MEETS (2 pts.)</th>
<th>MEETS (3 pts.)</th>
<th>MEETS TO STRONG (4 pts.)</th>
<th>STRONG (5 pts.)</th>
</tr>
</thead>
</table>

DAS will score the Proposals by multiplying the score received in each category by its assigned weight and adding all categories together for the Offeror’s Total Technical Score in Table 3. Representative numerical values are defined as follows:

- **DOES NOT MEET (0 pts.):** Response does not comply substantially with requirements or is not provided.
- **WEAK (1 pt.):** Response was poor related to meeting the objectives.
- **WEAK TO MEETS (2 pts.):** Response indicates the objectives will not be completely met or at a level that will be below average.
- **MEETS (3 pts.):** Response generally meets the objectives (or expectations).
- **MEETS TO STRONG (4 pts.):** Response indicates the objectives will be exceeded.
- **STRONG (5 pts.):** Response significantly exceeds objectives (or expectations) in ways that provide tangible benefits or meets objectives (or expectations) and contains at least one enhancing feature that provides significant benefits.

TABLE 3 - TECHNICAL PROPOSAL EVALUATION

<table>
<thead>
<tr>
<th>Criterion</th>
<th>Weight</th>
<th>Rating (0=Does not Meet to 5=Strong)</th>
<th>Extended Score</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Offeror Profile</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. The Offeror provides evidence of past experiences and expertise in providing financial management services (FMS) by providing three (3) previous projects similar in size, scope, and nature in the past five (5) years. In addition, the Offeror provides evidence of experience with the following: • Financial management services for persons with developmental disabilities • Federally and/or state-funded programs Please document and describe these experiences in ATTACHMENTS FIVE B through D, OFFEROR PRIOR PROJECT FORM.</td>
<td>20</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. The Offeror has the capacity as an organization to fulfill the needs of this Contract. In ATTACHMENT FIVE A, OFFEROR PROFILE FORM, the Offeror must complete the requested fields and provide the following information under “Additional Background Information”: • Capacity of the Offeror to provide the deliverables for this Contract • Financial Stability • Customer Service Support</td>
<td>5</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
3. The Offeror has provided evidence of compliance with IRS, State and Local regulations and with no current outstanding audit findings by these regulatory authorities as it relates to the FMS process. Evidence may consist of an attestation indicating no outstanding audit findings related to IRS, State and Local regulations or documentation from IRS, State, and/or Local authority indicating satisfaction of audit findings. Evidence could also be a report from an auditor.

4. The Offeror has shown evidence of, at minimum, three (3) years of experience as Fiscal/Employer Agent (F/EA) in accordance with Section 3504 of the IRS code and IRS Revenue Procedure 70-6.

5. The Offeror will provide a staffing plan. Offeror must complete SEVEN A through C for each key personnel and illustrate the amount of time that will be dedicated by each key personnel member of the staff to the work of the Contract. The Offeror shall also include a contingency plan that shows the Offeror has the ability to add more staff, if needed, including their ability to provide qualified replacement staff.

6. The project manager assigned to this Project possesses, at a minimum, a bachelor’s degree in public health, economics, sociology, business administration, accounting, or other related discipline. Additionally, the project manager must have experience in performing project management of a similar service and experience with Medicaid information systems.

7. The Offeror’s staffing plan demonstrates that one (1) staff member assigned to the project has a bachelor’s degree in accounting and experience with accounting-related work. The staff member must have experience with Medicaid information systems. While it is not required, it is preferred that the staff member has a master’s degree in accounting or CPA certification.

8. The Offeror’s staffing plan demonstrates that one (1) system analyst has been assigned to this Project. The system analyst must have completed an undergraduate degree in information technology or a related field. The staff member must have experience with various database management systems, programming languages, and with auditing system edits and data integration procedures. The staff member must have experience with Medicaid information systems. While it is not required, it is preferred that the staff member has a master’s degree in computer science or a related field.

Scope of Work

1. The Offeror’s evidence of their ability to be the employer of record under co-employer authority.  

2. The Offeror’s description of their customer service process.  

3. The Offeror’s plan for monitoring operations to assure quality.  

4. The Offeror’s proposed plan to educate individuals on the Employment Authority process.  

5. The Offeror’s plan to meet the record-keeping policies and procedures for this Project.  

6. The Offeror’s IT structure and technology plan for performance of the Project, including its capacity and if any expansions will be necessary in order to meet all the requirements of the Project. The description must provide evidence and detail on how the Offeror will meet all requirements of the shared computer system.  

7. The Offeror’s Disaster Recovery plan for restoring software and master files and hardware backup if management information systems are disabled and for continuation of payroll and invoice payment systems.  

8. The Offeror’s description and experience with HIPAA compliant electronic interface and support to comply.
9. The Offeror’s detailed end-of-the-year tax process.  

10. The demonstration of the Offeror’s reporting capabilities, as required in the Scope of Work.  

11. The Offeror’s natural disaster recovery plan for allowing extra time, if needed, for participants and providers to send in timesheets for payroll and claims for invoice payments.  

12. The Offeror’s ability to adapt to changes in federal and state Medicaid laws, rules, and policies. The Offeror must describe how the Offeror will communicate changes to those individuals or providers affected by the changes.  

13. The Offeror’s proposed transition plan and program close-out procedures in order to transition program participants from one financial management services provider to another financial management service provider.  

14. The Offeror must be an Ohio based company or have significant economic presence within the state of Ohio. For the purposes of this RFP, Ohio based means an Offeror that meets the criteria listed below.  
   - Offeror is current in payment of any and all required state of Ohio taxes.  
   - Offeror is registered with the Ohio Secretary of State to conduct business within the State. Questions regarding registration should be directed to (614) 466-3910 or visit the website at http://sos.state.ohio.us/  
   - Offeror has a primary place of business within Ohio with ten or more employees based in Ohio or, if the Offeror has less than 10 employees at least seventy-five percent (75%) or more of all Offeror’s employees are based in Ohio  

15. The Offeror has the ability to receive funds from various payer sources and apply appropriately.  

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>9.</td>
<td>The Offeror’s detailed end-of-the-year tax process.</td>
<td>15</td>
</tr>
<tr>
<td>10.</td>
<td>The demonstration of the Offeror’s reporting capabilities, as required in the Scope of Work.</td>
<td>15</td>
</tr>
<tr>
<td>11.</td>
<td>The Offeror’s natural disaster recovery plan for allowing extra time, if needed, for participants and providers to send in timesheets for payroll and claims for invoice payments.</td>
<td>10</td>
</tr>
<tr>
<td>12.</td>
<td>The Offeror’s ability to adapt to changes in federal and state Medicaid laws, rules, and policies. The Offeror must describe how the Offeror will communicate changes to those individuals or providers affected by the changes.</td>
<td>15</td>
</tr>
<tr>
<td>13.</td>
<td>The Offeror’s proposed transition plan and program close-out procedures in order to transition program participants from one financial management services provider to another financial management service provider.</td>
<td>10</td>
</tr>
</tbody>
</table>
| 14. | The Offeror must be an Ohio based company or have significant economic presence within the state of Ohio. For the purposes of this RFP, Ohio based means an Offeror that meets the criteria listed below.  
   - Offeror is current in payment of any and all required state of Ohio taxes.  
   - Offeror is registered with the Ohio Secretary of State to conduct business within the State. Questions regarding registration should be directed to (614) 466-3910 or visit the website at http://sos.state.ohio.us/  
   - Offeror has a primary place of business within Ohio with ten or more employees based in Ohio or, if the Offeror has less than 10 employees at least seventy-five percent (75%) or more of all Offeror’s employees are based in Ohio | 5 |
| 15. | The Offeror has the ability to receive funds from various payer sources and apply appropriately. | 10 |

Total Technical Score:  

In this RFP, DAS asks for responses and submissions from Offerors, most of which represent components of the above criteria. While each criterion represents only a part of the total basis for a decision to award the Contract to an Offeror, a failure by an Offeror to make a required submission or meet a mandatory requirement will normally result in a rejection of that Offeror’s Proposal. The value assigned above to each criterion is only a value used to determine which Proposal is the most advantageous to the State in relation to the other Proposals that DAS received.

Once the technical merits of a Proposal are evaluated, the costs of that Proposal will be considered. It is within DAS’ discretion to wait to factor in a Proposal’s cost until after any interviews, presentations, demonstrations or discussions. Also, before evaluating the technical merits of the Proposals, DAS may do an initial review of costs to determine if any Proposals should be rejected because of excessive cost. DAS may reconsider the excessiveness of any Proposal’s cost at any time in the evaluation process.

COST PROPOSAL POINTS. DAS will calculate the Offeror’s Cost Proposal points after the Offeror’s total technical points are determined, using the following method:

Cost points = (lowest Offeror’s cost/Offeror’s cost) x Maximum Available Cost Points as indicated in the “Scoring Breakdown” table. The value is provided in the Scoring Breakdown table. "Cost" = Total Firm-Fixed Cost identified in the Cost Summary section of Offeror Proposals. In this method, the lowest cost proposed will receive the Maximum Available Cost Points.

The number of points assigned to the cost evaluation will be prorated, with the lowest accepted cost proposal given the maximum available points possible for this criterion. Other acceptable cost proposals will be scored as the ratio of the lowest price proposal to the proposal being scored, multiplied by the maximum available points possible for this criterion.

An example for calculating cost points, where Maximum Available Cost Points Value = 60 points, is the scenario where Offeror X has proposed a cost of $100.00. Offeror Y has proposed a cost of $110.00 and Offeror Z has proposed a cost of $120.00. Offeror X, having the lowest cost, would get the maximum available 60 cost points. Offeror Y’s cost points would be calculated as $100.00 (Offeror X’s cost) divided by $110.00 (Offeror Y’s cost) equals 0.909 times 60 maximum points, or a total of 54.5 points. Offeror Z’s cost points would be calculated as $100.00 (Offeror X’s cost) divided by $120.00 (Offeror Z’s cost) equals 0.833 times 60 maximum available points, or a total of 50 points.
FINAL STAGES OF EVALUATION. The Offeror with the highest point total from all phases of the evaluation (Technical Points + Cost Points) will be recommended for the next phase of the evaluation.

Technical Score: _________ + Cost Score: _________ = Total Score: ________________

If DAS finds that one or more Proposals should be given further consideration, DAS may select one or more of the highest-ranking Proposals to move to the next phase. DAS may alternatively choose to bypass any or all subsequent phases and make an award based solely on the proposal evaluation phase.

REJECTION OF PROPOSALS. DAS may reject any Proposal that is not in the required format, does not address all the requirements of this RFP, or that DAS believes is excessive in price or otherwise not in its interests to consider or to accept. In addition, DAS may cancel this RFP, reject all the Proposals, and seek to do the Project through a new RFP or by other means.

DISCLOSURE OF PROPOSAL CONTENTS. DAS will seek to open the Proposals in a manner that avoids disclosing their contents. Additionally, DAS will seek to keep the contents of all Proposals confidential until the Contract is awarded. DAS will prepare a registry of Proposals containing the name and address of each Offeror. That registry will be open for public inspection after the Proposals are opened.
PART FIVE: AWARD OF THE CONTRACT

CONTRACT AWARD. DAS plans to award the Contract based on the schedule in the RFP, if DAS decides the Project is in the best interests of the State and has not changed the award date.

The signature page for the Contract is included as Attachment Four of this RFP. In order for an Offeror’s Proposal to remain under active consideration, the Offeror must sign, the two (2) copies enclosed, in blue ink and return the signed Contracts to DAS with its response. Submittal of a signed Contract does not imply that an Offeror will be awarded the Contract. In awarding the Contract, DAS will issue an award letter to the selected Contractor. The Contract will not be binding on DAS until the duly authorized representative of DAS signs both copies and returns one (1) to the Contractor, the Agency issues a purchase order, and all other prerequisites identified in the Contract have occurred.

DAS expects the Contractor to commence work upon receipt of a state issued purchase order. If DAS awards a Contract pursuant to this RFP and the Contractor is unable or unwilling to commence the work, DAS reserves the right to cancel the Contract and return to the original RFP process and evaluate any remaining Offeror Proposals reasonably susceptible of being selected for award of the Contract. The evaluation process will resume with the next highest ranking, viable Proposal.

CONTRACT. If this RFP results in a Contract award, the Contract will consist of this RFP including all attachments, written addenda to this RFP, the Contractor’s accepted Proposal and written authorized addenda to the Contractor’s Proposal. It will also include any materials incorporated by reference in the above documents and any purchase orders and change orders issued under the Contract. The general terms and conditions for the Contract are contained in Attachment Three of this RFP. If there are conflicting provisions between the documents that make up the Contract, the order of precedence for the documents is as follows:

1. This RFP, as amended;
2. The documents and materials incorporated by reference in the RFP;
3. The Offeror’s proposal, as amended, clarified, and accepted by DAS; and

Notwithstanding the order listed above, change orders and amendments issued after the Contract is executed may expressly change the provisions of the Contract. If they do so expressly, then the most recent of them will take precedence over anything else that is part of the Contract.
ATTACHMENT ONE: WORK REQUIREMENTS AND SPECIAL PROVISIONS
PART ONE: WORK REQUIREMENTS

I. SCOPE OF WORK.

A. Definitions

1. Supplier: Also referred to as the Offeror, this is the Financial Management Services (FMS) company that is responding to this RFP and will operate as a fiscal/employer agent to provide the services listed in the Scope of Work.
2. Participant: An individual enrolled in the Department of Developmental Disabilities (Agency) SELF, IO, or LV1 waiver program.
3. Employer: The individual enrolled in the Agency's waiver program or their guardian representative.
4. Employee: An independent provider, as defined in Ohio Administrative Code 5123-9-32, who provides services to the Participant.
5. Provider: An agency with choice or common law employee as defined in Ohio Administrative Code 5123-32.
6. Vendor: The company from whom goods are purchased from in accordance with the SELF waiver.

B. Participant Choice Options: The Supplier will function within all of the below options dependent upon the choice of the Participant.

1. Co-employer Option: Supplier shall function as the co-common law employer of staff recruited by the Participant. The Participant (or their representative) directs the staff and is considered the co-employer of the staff (also known as "managing employer"). The Supplier conducts all necessary payroll and human resources functions and is legally responsible for discharging the employment related functions and duties for Participant-selected staff in conjunction with the Participant based on the roles and responsibilities identified in the service plan. Both Supplier and Participant are equally liable for any employment related issues. This option is only available through the SELF Waiver.
2. Common Law Employer Option: Participant (or their representative) is the sole legally responsible and liable employer of staff selected by the Participant. The Participant (or their representative) hires, supervises, and discharges staff. The Participant (or their representative) is liable for the performance of necessary employment related tasks and uses the Supplier, as the fiscal/employer agent (F/EA), to perform necessary payroll and other employment-related functions as the Participant's agent in order to ensure that the employer-related legal obligations are fulfilled.
3. Goods and Services/Billing Agent Option: Participant is receiving goods and/or services from a provider, in which case the Supplier shall pay claims. This option is only available through SELF Waiver at this time, but this option may be expanded to LV1 and IO Waivers during this Contract.

C. Readiness Review: The awarded Supplier shall complete and satisfactorily meet the criteria in the readiness review within thirty (30) calendar days from the contract effective date. The readiness review will determine if systems, written policies and procedures, and internal controls for monitoring are in place for the project work outlined in the scope of this request. The Supplier shall allocate necessary resources to ensure all data exchange testing and validation is done at least thirty (30) calendar days prior to the inception of programs “go-live” target dates. There is no payment to the Supplier for this review.

The awarded Contractor will be provided with a Financial Management Readiness Review document to assist in determining the Contractor's systems, written policies and procedures, and internal controls for monitoring are in place for the Project.

D. Transitioning Records from Current Financial Management Services (FMS) Suppliers: The awarded Supplier shall develop and implement a system to transfer all SELF, IO, and LV1 waiver program Participants and related records from the Agency's current FMS Supplier. This transfer of records will occur after the readiness review, and there will be no payment to the Supplier during the transition period from current FMS Suppliers.

E. Computer Systems: The awarded Supplier shall have an Integrated enterprise type of electronic financial management system(s) throughout the duration of the contract at no cost to the Agency. The Agency shall have access to the system. Data integrity and security are important elements of system utilization. The cost of required access technology is to be absorbed by the Supplier. The Supplier is responsible for the purchase of all software and hardware. For the duration of the contract, the Supplier must agree to be responsible for any development costs and related ongoing software maintenance charges for modifications and enhancements to the Supplier's electronic system. As needed, the appropriate Agency representatives will be included in the Supplier's discussions, meetings, and project testing for system modifications and new system modules impacting the administration of the programs described in this contract. Supplier system functions, transactions, and data must be in compliance with any and all HIPAA requirements and other applicable federal and state system standards and requirements.

The Supplier shall have a secure web-based access (portal) for all employees and providers use. Employees shall be required to submit timesheets and claims by web-based data entry and/or uploads. Providers shall be required to...
submit claims to the Supplier by web-based data entry and/or uploads for all goods and services provided. Electronic payment to employees and providers shall be required by the Supplier. The Supplier shall have a backup plan to pay employees and providers when the Supplier cannot meet the electronic payment requirements. The Supplier shall either use the electronic verification system approved by the Agency or agree to accept electronic timesheets generated by the State’s Visit Verification (EVV) System. The Supplier must have the ability to send and receive large files through a secure file transfer portal (SFTP) or other mechanism like ShareFile by Citrix. The Supplier shall maintain an up-to-date secure website which includes program information, organizational information, and other information as required throughout this RFP. The Supplier must explain what updates will be done to any materials or the website before they are completed. The Supplier’s website must adhere to State IT Policy ITP F.35 Moratorium on the Use of Advertisements, Endorsements, and Sponsorships on State-Controlled Websites.

The Supplier shall meet the requirements for secure information sharing using industry standard architecture that includes:

- Implement TLS 1.2 or higher for secure data transfer (HTTPS)
- Solution must support industry standard authentication and authorization framework, such as OAuth/Open ID connect, SAML, JWT, and federation authentication etc.
- Ability to consume RESTful APIs Services and JSON format exposed by the Agency
- Ability to integrate with Azure Services Business
- Agree and conform to Schema definition and model defined by the Agency

F. General Work Requirements

1. The Supplier shall obtain and use a unique and new Federal Employer Identification Number (FEIN) for the sole purpose of acting as the Agency’s statewide fiscal/employer agent (F/EA) for individuals on the IO, LV1, and SELF waiver programs who elect the common law employer options and use this FEIN for the vendor F/EA functions.
2. The Supplier shall maintain all applicable permits, registrations, licenses, and insurance.
3. The Supplier shall maintain a F/EA policies and procedures manual specific to Ohio and current with federal, state, and local rules and regulations. The manual must delineate all tasks related to this project and identify those tasks that a reporting agent will perform. The manual must include what monitoring will occur between the selected vendor and the reporting agent.
4. The Supplier shall manage a live, statewide toll-free telephone number to answer questions or discuss problems with program participants or program providers. Normal working hours shall be from 7:00 a.m. to 6:00 p.m. Eastern Standard Time, Monday through Friday, with only State holidays observed. A voice message system must be used during non-working hours.
5. The Supplier shall use technology in communicating with individuals, employees, providers, and the Agency. At a minimum, the Supplier will have a secure internet/email communication.
6. The Supplier shall provide alternative formats of communication, if requested. Alternative formats include material in large print, on disk, in Braille, and the use of translators and interpreters when necessary.
7. The Supplier shall establish and maintain a Telecommunication Device for the Deaf (TDD) line. The number must be listed on the Supplier’s letterhead, brochures, and any other forms or public materials.
8. The Supplier shall interface with the applicable billing system operated by the Agency and maintain a HIPAA compliant electronic interface for the purpose of receiving electronic spending plans and authorization for services. For specific planning processes, see Supplement One.
9. The Supplier shall have a natural disaster plan for allowing extra time (if needed) for participants and providers to submit timesheets for payroll and claims for invoice payment.
10. The Supplier shall alert the Agency about unauthorized invoices and other payment authorization issues or discrepancies.
11. The Supplier shall alert the Agency if it becomes aware of any change in a participant's program status.
12. The Supplier shall establish and provide ongoing customer service in order to respond to calls from participant employers, employees, vendors, and individual providers regarding issues such as withholdings and net payments, lost or late deposits or payments, reports and other documentation received from the agent or other questions regarding the services or payment of labor expenses.
13. The Supplier shall respond within one (1) business day to telephone calls, letters, or inquiries.
14. The Supplier shall respond to complaints within two (2) business days and resolve all complaints within five (5) business days. The Supplier shall track the nature of the complaint and action taken to include in the quarterly report for submission as required by the Agency.
15. The Supplier is mandated to report any act of negligence, abuse, or exploitation of any participant employer to the Agency upon discovery. If the Supplier becomes aware of any change in the participant’s program status, the Supplier shall report any incidents to the Agency contact upon discovery.
16. The Supplier shall participate in ongoing quality management and evaluation activities including, but not limited to, a readiness review. The Agency reserves the right to conduct performance evaluations at any time throughout the year to provide assurance that the Supplier is in compliance with the Contract.
17. The Supplier shall attend all scheduled meetings convened by the Agency program manager. At a minimum, the key staff assigned to this project shall attend these meetings.
18. The Supplier must be culturally sensitive, consistent with consumer-direction philosophy, and be able to communicate effectively with a diverse population of individuals.
19. The Supplier must have a process for making purchases within ten (10) calendar days for the items identified on the spending plan.

20. The Supplier must have a process for onboarding new employees who are certified by the Agency and selected by the participant. The process shall not exceed thirty (30) calendar days.

G. SELF Waiver Program Requirements for Participant Directed Goods and Services: The Supplier shall follow all rule requirements of Ohio Administrative Code 2123-9-45 as the provider of record.

H. IO, LV1, SELF Waiver Program Requirements
1. The Supplier shall process payroll once weekly.
2. The Supplier shall complete and file the IRS Form SS-4 and required state forms so each participant employer can receive a FEIN number and be established as the employer of record for their workers. The Supplier shall maintain copies of the IRS FEIN notification letter and the filed Form SS-4 in the participant's file.
3. The Supplier shall operate a system for retiring individuals’ FEIN and all state and federal records when the participant employer is no longer the permanent employer.
4. The Supplier shall execute an IRS Form 2678, Employer/Payer Appointment of Agent, and receive written IRS employer agent authorization for each participant employer it represents. The Supplier shall maintain copies in each participant employer's file.
5. The Supplier shall execute an IRS Form 8821, Tax Information Authorization, with each participant employer it represents. The Supplier shall maintain copies in each participant employer's file.
6. The Supplier shall complete and file the appropriate state forms recognized by the state unemployment and income tax agencies to be a fiscal agent.
7. The Supplier shall prepare and distribute individual worker employer packets to the participant employer and provide instruction on how and when each of the forms should be completed by the participant employer and the worker. The Supplier shall provide the packet to the participant employer within three (3) business days of the request. The packet shall include:
   a. Information about the F/EA’s services and operations;
   b. One (1) page employment application form that collects basic information on a worker;
   c. Information about the employee’s obligation to maintain service documentation, in accordance with Chapter 5123:2-9 of the Ohio Administrative Code;
   d. Requirements and directions for employee to access the portal for submitting timesheets. The term “timesheet” is used generically to refer to any mechanism which collects information about days and hours worked by the employee;
   e. Participant Employer/Employee Agreement Form;
   f. Immigration and Naturalization Service Form I-9;
   g. Employment Eligibility Verification Form;
   h. IRS Form W-4;
   i. Employees Withholding Allowance Certificate and associated federal (if requested) and state income tax and SUTA withholding forms;
   j. IRS Notice 797;
   k. IRS Form W-5;
   l. Earned Income Credit Advanced Payment Certificate with instructions on how and when each form should be completed by the participant employer and his or her consumer directed provider;
   m. A list of the forms the participant employer should keep a personal copy of and which completed forms should be submitted to the F/EA for processing;
   n. Information regarding the availability of the communication mechanism, including hours the representative is available, and the response period for messages and mail inquiries; and
   o. Examples of expenditure reports and information that explains these reports.
8. The Supplier shall collect, process, and maintain all forms in a record for each participant employer’s individual provider.
9. The Supplier shall prepare and execute a written agreement between the F/EA and the participant employer detailing the responsibilities of each party and respond to questions or provide clarification regarding this agreement before being signed by both parties.
10. The Supplier shall prepare and distribute materials that serve as a resource for participant employer. The materials should describe the responsibilities that the participant employer accepts when hiring their own providers and provide detailed, step-by-step explanations for meeting their responsibilities. The Supplier shall include examples of required forms to be completed and detailed instructions.
11. The Supplier shall maintain an electronic file containing all employer related documents that is accessible to the Agency through the Supplier's portal/web-based application.
12. The Supplier shall assist the participant employer with the application for Workers’ Compensation and Unemployment Compensation.
13. The Supplier shall complete and submit the Ohio New Hire Report.
14. The Supplier shall provide training for the employee on accurate time reporting, completion of timesheets, service documentation requirements, and Medicaid Fraud. The Supplier shall provide periodic information and training to participant employees as changes occur in procedures, reporting, or systems.
15. The Supplier shall electronically collect, process, and verify timesheets of each participant employer’s workers for the authorized services as outlined in the participant’s service plan and individual budget.

16. The Supplier shall verify that the service billed and hours worked are in the approved service plan prior to making payment.

17. The Supplier shall submit claims based on individual providers timesheets to the appropriate billing system used by the Agency using electronic interface. Submission must occur within five (5) business days of receiving the timesheets. Payment by the Supplier to the employee will be made after receiving a remittance advice for verified timesheet billing from the Agency’s billing system. Supplier shall make individual provider payroll payments weekly.

18. The Supplier shall withhold, file, and deposit FICA, FUTA, and SUTA taxes in accordance with federal, IRS, Department of Labor, applicable state and local rules and regulations for participant employers and their individual providers.

19. The Supplier shall withhold, file, and deposit federal, state, and local income taxes in accordance with federal, IRS, applicable State Department of Taxation, Workers’ Compensation rules, Unemployment Compensation, and local tax code.

20. The Supplier shall assure that all applicable withholdings (federal, state, local income taxes, Workers’ Compensation, and unemployment taxes are included in the projected employer related expenses which are part of the negotiate Offeror’s Rate on the Cost Summary Form and not billed separately to the Agency via invoicing.

21. The Supplier shall assure participant employers’ individual providers are paid hourly rates in accordance with the federal and state Department of Labor’s Fair Labor Standards Act (FLSA).

22. The Supplier shall make payments of federal Earned Income Credit (EIC) to eligible providers.

23. The Supplier shall comply with the IRS regulations using the Electronic Federal Tax Payment System (EFTPS).

24. The Supplier shall comply with all program electronic filing requirements.

25. The Supplier shall assure participant employers are in compliance with federal and state income and employment taxes, FICA, statutory benefits [e.g.: unemployment (FUTA/SUTA)], disability and Workers’ Compensation insurance, and labor laws related to the employment of their workers.

26. The Supplier shall file year-end taxes and forms and follow end of year tax processes including, but not limited to, applicable W-2’s and 1099’s.

27. The Supplier shall process payroll for participant employers in accordance with applicable federal, state, and local rules and regulations.

28. The Supplier shall prepare and submit the required reports to all state/county agencies and individual/representatives.

29. The Supplier shall determine when a participant employer is no longer a permanent employer and file and pay final State Income Tax (SIT) and State Unemployment Tax (SUTA) on their behalf and retire their tax accounts and ID numbers.

30. The Supplier shall broker Workers’ Compensation insurance. The Supplier shall have a plan in place to monitor the process and pay Worker’s Compensation insurance premiums for each individual it represents in accordance with Ohio’s Workers’ Compensation insurance law and for maintaining the relevant documentation in each individual’s file.

31. The Supplier shall process all judgements, garnishments, tax levies, or any related holds on an employee’s funds as may be required by local, state, or federal laws.

32. The Supplier shall implement a system for processing workers’ direct deposit.

33. The Supplier shall withhold other deductions as authorized by the employee.

34. The Supplier shall provide participant employers any request for information within five (5) business days.

35. The Supplier shall collect patient liability (PL), in accordance with Ohio Administrative Code 5123:2-9-06 and 5123:9-40, as assigned by the county board of developmental disabilities and/or the Agency.

36. The Supplier shall have a method to receive funds from various payer sources for the purpose of reimbursement for refunded items/services and apply appropriately to correct accounts/budgets.

I. IO, LV1, and SELF Waiver Program Reporting Requirements

1. The Supplier shall produce in either electronic or paper format, as requested, to participants, guardians, designees, support brokers, county boards of developmental disabilities, and the Agency a monthly report which includes, at a minimum:
   a. Participant name and waiver span;
   b. Participant’s date of birth;
   c. Participant (Client) identification number;
   d. Medicaid billing number;
   e. Provider identification number;
   f. Provider name delivering services;
   g. Participant directed goods and services (vendor and items purchased);
   h. Identification of support broker per participant (if applicable);
   i. Service code;
   j. Total number of units and dollars authorized by service, by participant;
   k. Total dollars authorized and funding level;
   l. Rates associated and amount paid to provider of waiver service;
   m. Date of service;
n. Date of submission;
o. Reimbursement amount;
p. Patient liability collected per participant (if applicable);
q. Participant’s remaining balance in their current waiver span year; and
r. Percentage of dollars remaining for waiver span year.

2. The Supplier shall produce a quarterly report to the Agency contract manager related to call center statistics, individual worker hire employment packets distributed, timesheets processed, payments delivered, participant data, worker data, number and type of complaints and resolutions, and payroll services. The report shall be for the quarter period and captured by individual month. The Supplier shall submit the report no later than fifteen (15) business days after the quarter end.

3. The Supplier shall produce an annual report to the Agency and shall include, at a minimum, the following:
a. Breakdown of the total number of participants receiving each waiver service available, including the identification number of those participants, and of those participants, which type of employment they selected (co-employer or common law option), and which services were selected within each option.
b. Number, type, and amount of all payment made to providers per provider.

4. The Supplier shall provide to the Agency contract manager any additional or ad hoc reports (such as documentation regarding federal or state audits) as requested in a format mutually agreed upon by the Agency and Supplier. There will be no additional payment for the generation of such reports. The Supplier shall also be able to make revision in the data elements or format of any required report upon request by the Agency without any additional cost.

5. The Supplier’s shared computer system must allow the Agency’s staff to query all fields and extract data from the system without technical intervention in order to perform quality checks.

6. The Supplier shall conduct and analyze a participant satisfaction survey, using a sample size and instrument approved by the Agency, in a time frame negotiated with the Agency.

7. The Supplier shall produce a monthly report to the Agency with, at a minimum, the following:
a. Breakdown of the total number of participants receiving participant-directed goods and services;
b. Participant’s identification number;
c. Goods and/or services purchased;
d. Amount of the purchase; and
e. Supplier who provided the goods and/or services.

J. Compensation of Independent Providers For Travel: The Supplier shall compensate an independent provider who travels to more than one work site during the same workday for travel time between each work site at the Ohio minimum wage. However, if the travel is not direct because the independent provider is relieved from duty long enough to engage in purely personal pursuits, only the time necessary to make the trip shall be compensated.

Travel time between work sites that occurs after an independent provider has worked forty (40) hours in a work week shall be compensated at one and one-half (1 ½) times the Ohio minimum wage.

The Supplier shall keep accurate records of all travel time compensation paid to an independent provider.
Compensation for travel time between work sites shall not be charged to a consumer’s individual budget.

The State shall reimburse the Supplier for travel time compensation paid to independent providers upon submission and approval of monthly invoices from the Supplier.

Compensation for independent providers for travel only applies to the SELF Waiver.

K. End Of Year Federal Tax Process Requirements
1. The Supplier shall have a system for refunding over-collected FICA taxes to applicable individual-employers and support service workers in accordance with IRS regulations and maintain the relevant documentation.
2. The Supplier shall prepare and distribute IRS Form W-2 for individuals’ workers per IRS instructions for participant’s employee and maintain the relevant documentation.
3. The Supplier shall prepare and distribute IRS Form W-3 in the aggregate for all individuals the participant’s employee represents per IRS instructions and maintain the relevant documentation.

L. Transition Plan: Upon the termination of the contract, the Supplier must provide, on an electronic medium and data layout acceptable to the Agency, a file of all of the project data in the Supplier’s internally developed system, at no cost to the Agency, in accordance with a transfer plan to be agreed upon between the Agency and the Supplier at least 30 calendar days prior to the conclusion of the contract. This transfer plan must be developed and shared with the Agency within 90 calendar days of the start of the contract. The Supplier must update the transfer plan quarterly and this plan must be made available to the Agency when requested. The Supplier shall have a disaster recovery plan for restoring software and master files and hardware backup if management information systems are disabled and for continuation of client payroll and invoice payment services.
M. Sanction Process: The Agency will identify operational deficiencies by giving the Supplier a Notice of Operational Deficiency (NOD). The NOD will require the Supplier to develop a plan of correction (POC) for an instance of noncompliance. A POC is a document that is part of the process to improve identified operational deficiencies. This POC will be monitored by the Agency. The NOD and POC will also be filed with DAS and may result in a Complaint to Vendor.

**CONTRACTOR RESPONSIBILITIES.** The Contractor must meet all RFP requirements and perform Work as defined in the Scope of Work.
ATTACHMENT ONE: WORK REQUIREMENTS AND SPECIAL PROVISIONS
PART TWO: SPECIAL PROVISIONS

THE OFFEROR’S FEE STRUCTURE. The Contractor will be paid as proposed on the Cost Summary Form after the Agency approves the receipt of product(s) and continued completion of all deliverables.

REIMBURSABLE EXPENSES. The Contractor will be reimbursed for invoiced claims for services and/or goods provided by the Participant’s selected staff and/or Participant’s provider. The Contractor will not be reimbursed for and will not bill the Agency separately for any applicable withholdings (federal income taxes, state income taxes, local income taxes, Workers’ Compensation, and Unemployment taxes). Withholdings should be included in the Offeror’s Rates on the Cost Summary Form. The Contractor will not be reimbursed for any travel expenses they incur in the performance of this Contract.

BILL TO ADDRESS.
Attn: MDA
Ohio Department of Developmental Disabilities
30 E. Broad Street
13th Floor
Columbus, OH 43215

HEALTH INSURANCE PORTABILITY & ACCOUNTABILITY ACT (HIPAA) REQUIREMENTS. As a condition of receiving a contract from the State, the Contractor, and any subcontractor(s), will be required to comply with 42 U.S.C. Sections 1320d through 1320d-6, and to implement regulations at 45 C.F.R. Section 164.502 (e) and 164.504 (e) [relating to privacy] and 164.308 and 164.314 [relating to security] regarding disclosure and safeguarding of protected health information under the Health Insurance Portability and Accountability Act (HIPAA) of 1996, as amended by the American Recovery and Reinvestment Act of 2009. Contractor and any subcontractor(s) will be required to enter into the attached Business Associate Agreement found in this RFP under Supplement Two.
ATTACHMENT TWO: REQUIREMENTS FOR PROPOSALS

PROPOSAL FORMAT. Each Proposal must include sufficient data to allow the State to verify the total cost for the Project and all of the Offeror's claims of meeting the RFP's requirements. Each Proposal must respond to every request for information in this attachment whether the request requires a simple "yes" or "no" or requires a detailed explanation. Simply repeating the RFP's requirement and agreeing to comply will be an unacceptable response and may cause the Proposal to be rejected.

These instructions describe the required format for a responsive Proposal. The Offeror may include any additional information it believes is relevant. An identifiable tab sheet must precede each section of a Proposal, and each Proposal must follow the format outlined below. All pages, except pre-printed technical inserts, must be sequentially numbered. Any material deviation from the format outlined below may result in a rejection of the non-conforming Proposal.

Each Proposal must contain the following information, in order, with tabbed sections as listed below:

1. Cover Letter and Mandatory Requirements
2. Certification
3. Signed Contracts
4. Offeror Profile and Prior Projects
5. Offeror References
6. Staffing Plan
7. Personnel Profile Summary
8. Work Plan
9. Support Requirements
10. Conflict of Interest Statement
11. Assumptions
12. Proof of Insurance
13. Payment Address
14. Contract Performance
15. W-9 Form and Supplier Registration
16. Affirmative Action Plan
17. Prohibition of the Expenditure of Public Funds on Offshore Services
18. Cost Summary Form

REQUIREMENTS:

1. **Cover Letter.** The cover letter must be in the form of a standard business letter and must be signed by an individual authorized to legally bind the Offeror. The cover letter will provide an executive summary of the solution the Offeror plans to provide. The letter must also have the following:

   a. A statement regarding the Offeror's legal structure (e.g., an Ohio corporation), Federal tax identification number, and principal place of business.
   b. A list of the people who prepared the Proposal, including their titles.
   c. The name, phone number, fax number, e-mail address, and mailing address of a contact person who has authority to answer questions regarding the Proposal.
   d. A list of all subcontractors, if any, that the Offeror will use on the Project if the Offeror is selected to do the Work.
   e. For each proposed subcontractor, the Offeror must attach a letter from the subcontractor, signed by someone authorized to legally bind the subcontractor, with the following included in the letter:

      1) The subcontractor's legal status, tax identification number, and principal place of business address.
      2) The name, phone number, fax number, e-mail address, and mailing address of a person who is authorized to legally bind the subcontractor to contractual obligations.
      3) A description of the work the subcontractor will do.
      4) A commitment to do the work if the Offeror is selected.
      5) A statement that the subcontractor has read and understood the RFP and will comply with the requirements of the RFP.
      6) A statement that the Subcontractor will maintain any permits, licenses, and certifications required to perform work.
f. A statement that the Offeror's proposed solution for the Project meets all the requirements of this RFP.
g. A statement that the Offeror has not taken any exception to the Terms and Conditions.
h. A statement that the Offeror does not assume there will be an opportunity to negotiate any aspect of the proposal.
i. A statement indicating the Offeror will comply with all Federal and Ohio (Ohio Revised Code) Laws and Rules of the Ohio Administrative Code as those law and rules are currently enacted and promulgated, and as they may subsequently be amended and adopted.
j. A statement that the Contractor shall not substitute, at Project start-up, different personnel from those evaluated by the State except when a candidate’s unavailability is no fault of the Contractor (e.g., Candidate is no longer employed by the Contractor, is deceased, etc.).
k. A statement that the Offeror is not now and will not become subject to an “unresolved” finding for recovery under Revised Code Section 9.24, prior to the award of a Contract arising out of this RFP, without notifying DAS of such finding.
l. A statement that all the Offerors personal and business associates are in compliance with Chapter 3517 of the Revised Code regarding limitations on political contributions and will remain in compliance for the duration of the Contract and with all applicable provisions that extend beyond the expiration of the Contract. Refer to the Political Contributions paragraph in Attachment Three, Part Seven of this RFP document.
m. All contractors from whom the State or any of its political subdivisions make purchases in excess of $2500.00 shall have a written affirmative action program for the employment and effective utilization of economically disadvantaged persons, as referred to in division (E)(1) of section 122.71 of the Revised Code. Annually, each such contractor shall file a description of the affirmative action program and a progress report on its implementation with the Equal Employment Opportunity office of the Department of Administrative Services. Provide a statement that the Offeror has been approved through this affirmative action program. Refer to the Affirmative Action paragraph in Attachment Two and to the Equal Employment Opportunity paragraph in Attachment Three, Part Seven of this RFP.
n. Registration with the Secretary of State. By the signature affixed to this Offer, the Offeror attests that the Offeror is:

1) An Ohio corporation that is properly registered with the Ohio Secretary of State; or

2) A foreign corporation, not incorporated under the laws of the State of Ohio, but is registered with the Ohio Secretary of State pursuant to Ohio Revised Code Sections 1703.01 to 1703.31, as applicable.

Any foreign corporation required to be licensed under Sections 1703.01 to 1703.31 of the Ohio Revised Code, which transacts business in the State of Ohio, without being so licensed, or when its license has expired or been canceled, shall forfeit not less than $250 nor more than ten thousand dollars. No officer of a foreign corporation shall transact business in the State of Ohio, if such corporation is required by Section 1703.01 to 1703.31 of the Revised Code to procure and maintain a license, but has not done so. Whoever violates this is guilty of a misdemeanor of the fourth degree.

Offeror attests that it is registered with the Ohio Secretary of State.

The Offeror’s Charter Number is: __________________________.

Questions regarding registration should be directed to (614) 466-3910 or visit the Web site at:
http://www.sos.state.oh.us

All Offerors who seek to be considered for a contract award must submit a response that contains an affirmative statement using the language in paragraph(s) a. through n. above.

Responses to all Mandatory Requirements from Table 1 must be included in this section (Tab 1).

2. Certification. Each Proposal must include the following certification signed by the individual Offeror.

(Insert Company name) affirms they are the prime Offeror.

(Insert Company name) affirms it shall not and shall not allow others to perform work or take data outside the United States without express written authorization from DAS.

(Insert Company name) affirms that all personnel provided for the Project, who are not United States citizens, will have executed a valid I-9 form and presented valid employment authorization documents.

(Insert Company name) affirms that any small business program participants will provide necessary data to ensure program reporting and compliance.

(Insert Company name) agrees that it is a separate and independent enterprise from the State of Ohio, the Agency, and the Department of Administrative Services. (Insert Company name) has a full opportunity to find other business and has
made an investment in its business. Moreover (Insert Company name) will retain sole and absolute discretion in the judgment of the manner and means of carrying out its obligations and activities under the Contract. This Contract is not to be construed as creating any joint employment relationship between (Insert Company name) or any of the personnel provided by (Insert Company name), the Agency, or the Department of Administrative Services.

(Insert Company name) affirms that the individuals supplied under the Contract are either: (1) employees of (Insert Company name) with (Insert Company name) withholding all appropriate taxes, deductions, or contributions required under law; or (2) independent contractors to (Insert Company name).

If the Offeror’s personnel are independent Contractors to the Offeror, the certification must also contain the following sentence:

(Insert Company name) affirms that it has obtained a written acknowledgement from its independent Contractors that they are separate and independent enterprises from the State of Ohio and the Department of Administrative Services and the Agency for all purposes including the application of the Fair Labor Standards Act, Social Security Act, Federal Unemployment Tax Act, Federal Insurance Contributions Act, the provisions of the Internal Revenue Code, Ohio tax law, worker’s compensation law and unemployment insurance law.

If the Offeror qualifies as a Veteran Friendly Business Enterprise as defined by ORC 9.318 and OAC 123:5-1-01 (KK), the certification must also contain the following sentence:

(Insert Company name) affirms that they are certified as a Veteran Friendly Business Enterprise as defined by Ohio Revised Code 9.318 and Ohio Administrative Code 123:5-1-01(KK).

3. **Signed Contracts.** The Offeror must provide two (2) originally signed, blue ink copies of the included Contract, Attachment Four. Offeror must complete, sign and date both copies of the Contract and include it with their Proposal. (Attachment Four).

4. **Offeror Profile and Prior Projects.** Each Proposal must include a profile of the Offeror’s capability, capacity, and relevant experience working on projects similar to this Work. The profile must also include the Offeror’s legal name; address; telephone number; fax number; e-mail address; home office location; date established; ownership (such as public firm, partnership, or subsidiary); firm leadership (such as corporate officers or partners); number of employees; number of employees engaged in tasks directly related to the Work; and any other background information that will help the State gauge the ability of the Offeror to fulfill the obligations of the Contract. The financial stability of the company should also be described and considered a necessary component of this portion of the Proposal’s response. This RFP includes Offeror Profile Summary Form as Attachment Five A which must be completed for the Offeror. The Offeror must use this form and fill it out completely to provide the Offeror requirement information.

The Offeror shall also provide information on the firm’s background as well as evidence that it has in place the personnel, internal procedures, and any other resources required under the terms of the Contract to ensure successful performance and contract compliance. Offerors must describe current operational capacity of the organization and the Offeror’s ability to absorb the additional workload resulting from this Project. Failure to recreate the form accurately to include all fields, may lead to the rejection of the Offeror’s Proposal.

The Offeror must document previous experience and expertise in providing a minimum of three (3) previous projects, similar in size and complexity, in the previous five (5) years. These projects must be of similar size, scope and nature. Details of the similarities must be included. In addition, the Offeror provides evidence of experience with fiscal management services for persons with developmental disabilities and federally and/or state-funded programs. Attachment Five B, C, and D must be filled out completely for each of the three (3) projects provided. The Offeror must use these forms and fill them out completely to provide the Offeror requirement information. Failure to recreate the form accurately to include all fields, may lead to the rejection of the Offeror’s Proposal.

5. **Offeror References.** The Offeror must include a minimum of three (3) references for organizations and/or clients for whom the Offeror has successfully provided services on projects that were similar in their nature, size, and scope to the Work. These references must relate to work that was completed within the past five (5) years. This RFP includes an Offeror Reference Form as Attachment Six. Failure to recreate the form accurately may lead to the rejection of the Offeror’s Proposal.

The State does not assume that since the experience requirement is provided at the top of the page that all descriptions on that page relate to that requirement. Offerors must reiterate the experience being described, including the capacity in which the experience was performed and the role of the Offeror on the Project. It is the Offeror’s responsibility to customize the description to clearly substantiate the qualification. Previous experience must include the conduct, management, and coordination of projects. Incumbents must ensure specifics are addressed. Evaluations will not be based on intrinsic knowledge of evaluation committee members.
The description of the related service shows the Offeror’s experience, capability, and capacity to develop this Project's deliverables and/or to achieve this Project’s milestones. Details such as the size of the contracting organizations, duration of involvement, level of responsibility, significant accomplishments, as well as a thorough description of the nature of the experience will be required for appropriate evaluation by the committee.

a. Contact Information. The contact name, title, phone number, e-mail address, company name, and mailing address must be completely filled out. If the primary contact cannot be reached, the same information must be included for an alternate contact in lieu of the primary contact. Failure to provide requested contact information may result in the State not including the reference in the evaluation process.
b. Project Name. The name of the project where the mandatory experience was obtained and/or service was provided.
c. Dates of Experience. Must be completed to show the length of time the Offeror performed the experience being described, not the length of time the Offeror was engaged for the reference. The Offeror must complete these dates with a beginning month and year and an ending month and year.
d. Description of the Related Service Provided. The State does not assume that since the experience requirement is provided at the top of the page that all descriptions on that page relate to that requirement. Offerors must reiterate the experience being described, including the capacity in which the experience was performed and the role of the Offeror on the Project. It is the Offeror's responsibility to customize the description to clearly substantiate the qualification.
e. Description of how the related service shows the Offeror’s experience, capability and capacity to develop this Project’s deliverables and/or to achieve this Project’s milestones.
f. The Offeror’s project experience must be listed separately and completely every time it is referenced, regardless of whether it is on the same or different pages of the form.

When contacted, each reference must be willing to discuss the Offeror’s previous performance on projects that were similar in their nature, size, and scope to the Work.

6. Staffing Plan. The Offeror must provide a staffing plan that identifies all key personnel required to do the Project and their responsibilities on the Project. The State is seeking a staffing plan that matches the proposed Project personnel and qualifications to the activities and tasks that will be completed on the Project. In addition, the plan must have the following information:

a. A matrix matching each key team member to the staffing requirements in this RFP.
b. A contingency plan that shows the ability to add more staff if needed to ensure meeting the Project's due date(s).
c. A discussion of the Offeror's ability to provide qualified replacement personnel.
d. The Offeror must submit a statement and chart that clearly indicate the time commitment of the proposed work team, including the Project Manager, to the Project and any other, non-related work during the term of the Contract. The Offeror must also include a statement indicating to what extent, if any, the Project Manager may be used on other projects during the term of the Contract. The evaluation committee may reject any Proposal that commits the proposed Project Manager to other work during the term of the Contract if the evaluation committee believes that doing so will be detrimental to the Offeror’s performance.
e. The Offeror shall identify, by name, the key staff Project Manager that will be assigned to this Project. This Project Manager must possess, at a minimum, a bachelor's degree in public health, economics, sociology, business administration, accounting, or other related discipline. Additionally, the Project Manager must have experience in performing project management of a similar service and experience with Medicaid information systems.
f. The Offeror shall identify, by name, at least one (1) key staff member with a bachelor's degree in accounting and experience with accounting-related work. The staff member must have experience with Medicaid information systems. While it is not required, it is preferred that the staff member has a master's degree in accounting or CPA certification.
g. The Offeror shall identify, by name, at least one (1) system analyst assigned to this Project. The system analyst must have completed an undergraduate degree in information technology or a related field. The staff member must have experience with various database management systems, programming languages, and with auditing system edits and data integration procedures. The staff member must have experience with Medicaid information systems. While it is not required, it is preferred that the staff member has a master's degree in computer science or a related field.
h. The Supplier must maintain a current organizational chart (including any subcontractors) and submit to appropriate State agencies upon request.
i. The Suppliers staff must be at least 18 years of age and be U.S. citizens or documented immigrants.
j. The Supplier must meet the requirements of Ohio Administrative Code 5123:2-2-02 and 5123:2-2-01 for background investigations.

7. Personnel Profile Summary. This RFP includes Offeror Candidate Forms as Attachments Seven A, B and C. The Offeror must use these forms and fill them out completely for each key candidate referenced. The forms must be completed using typewritten or electronic means. The forms may be recreated electronically, but all fields and formats must be retained. Failure to recreate the forms accurately may lead to the rejection of the Offeror’s Proposal.
All candidate requirements must be provided using the Offeror Candidate Forms (See Attachments Seven A, B and C.) The various sections of the form are described below:

a. Candidate References. If fewer than three (3) projects are provided, the Offeror must include information as to why fewer than three (3) projects were provided. The State may disqualify the proposal if fewer than three (3) projects are given. (Refer to Attachment Seven A.)

For each reference the following information must be provided:

1) Candidate’s Name.

2) Contact Information. The contact name, title, phone number, e-mail address, company name, and mailing address must be completely filled out. If the primary contact cannot be reached, the same information must be included for an alternate contact in lieu of the primary contact. Failure to provide requested contact information may result in the State not including the reference experience in the evaluation process.

3) Dates of Experience. Must be completed to show the length of time the candidate performed the technical experience being described, not the length of time the candidate worked for the company. The Offeror must complete these dates with a beginning month and year and an ending month and year.

4) Description of the Related Service Provided. The State does not assume that since the technical requirement is provided at the top of the page that all descriptions on that page relate to that requirement. Contractors must reiterate the technical experience being described, including the capacity in which the experience was performed and the role of the candidate in the reference project as it relates to this RFP Project. It is the Contractors’ responsibility to customize the description to clearly substantiate the candidate’s qualification.

b. Education and Training. This section must be completed to list the education and training of the proposed candidates and will demonstrate, in detail, the proposed candidate’s ability to properly execute the Contract based on the relevance of the education and training to the requirements of the RFP. Must include copies of any pertinent licenses and or certificates. (Refer to Attachment Seven B.)

c. Required Experience and Qualifications. This section must be completed to show how the candidate meets the required experience requirements. If any candidate does not meet the required requirements for the position the candidate has been proposed to fill, the Offeror's Proposal may be rejected as non-responsive. (Refer to Attachment Seven C.)

The candidate’s project experience must be listed separately and completely every time it is referenced, regardless of whether it is on the same or different pages of the form.

One of the criteria on which the State may base the award of the Contract is the quality of the Offeror’s Work Team. Switching personnel after the award will not be accepted without due consideration. The Offeror must propose a Work Team that collectively meets all the requirements in this RFP. Additionally, each team member may have mandatory requirements listed in this RFP that the team member must individually meet. All candidates proposed must meet the technical experience for the candidate’s position and be named.

8. Work Plan. Offeror must fully describe its current capacity, approach, methods, and specific work steps for doing the Work on this Project. The State encourages responses that demonstrate a thorough understanding of the nature of the Project and what the Contractor must do to complete the Project satisfactorily. To this end, the Offeror must submit for this section of the Proposal the Project plan that will be used to create a consistent, coherent management plan of action that will be used to guide the Project. The Project plan should include detail sufficient to give the State an understanding of the Offeror’s knowledge and approach, including Gantt charts documenting the successful completion of all of the deliverables to complete the Project.

The Work Plan must demonstrate an understanding of the requirements of the project as described in Attachment One Part One Work Requirements. Describe the methodologies, processes and procedures it will utilize in the implementation and production of the Scope of Work. Provide a comprehensive Work Plan that gives ample description and detail as to how it proposes to accomplish this project and what resources are necessary to meet the deliverables.

The State seeks insightful responses that describe proven state-of-the-art methods. Recommended solutions should demonstrate that the Offeror would be prepared to immediately undertake and successfully complete the required tasks. The Offeror’s Work Plan should clearly and specifically identify key personnel assignments. (NOTE: The staffing plan should be consistent with the Work plans).

Additionally, the Offeror should address potential problem areas, recommended solutions to the problem areas, and any assumptions used in developing those solutions.
9. **Support Requirements.** The Offeror must describe the support it wants from the State other than what the State has offered in this RFP. Specifically, the Offeror should address the following:

   a. Nature and extent of State support required in terms of staff roles, percentage of time available, etc.;
   b. Assistance from State staff and the experience/qualification level required; and
   c. Other support requirements.

   The State may not be able or willing to provide the additional support the Offeror lists in this part of its Proposal. The Offeror must therefore indicate whether its request for additional support is a requirement for its performance. If any part of the list is a requirement, the State may reject the Offeror’s Proposal if the State is unwilling or unable to meet the requirements.

10. **Conflict of Interest Statement.** Each Proposal must include a statement indicating whether the Offeror or any people that may work on the Project through the Offeror have a possible conflict of interest (e.g., employed by the State of Ohio, etc.) and, if so, the nature of that conflict. The State has the right to reject a Proposal in which a conflict is disclosed or cancel the Contract if any interest is later discovered that could give the appearance of a conflict.

11. **Assumptions.** The Offeror must provide a comprehensive listing of any and all of the assumptions that were made in preparing the proposal. If any assumption is unacceptable to the State, it may be cause for rejection of the Proposal. No assumptions shall be included regarding negotiation, terms and conditions, and requirements.

12. **Proof of Insurance.** In this section, the Offeror must provide the certificate of insurance required by the General Terms & Conditions, Attachment Three, Part Two. The policy may be written on an occurrence or claims made basis.

13. **Payment Address.** The Offeror must provide the address to which payments to the Offeror will be sent.

14. **Contract Performance.** The Offeror must complete Attachment Eight, Offeror Performance Form.

15. **W-9 Form and Supplier Registration.** The Offeror must complete Federal Form W-9, Request for Taxpayer Identification Number and Certification form. At least one (1) original (signed in blue ink) must be submitted in the “original” copy of the Proposal. All other copies of the Proposal may contain duplicates of these completed forms. If a subsidiary company is involved, Offerors must have an original W-9 for both the parent and subsidiary companies. In addition, the Offeror must be registered as a supplier with the State through the Supplier Portal. Registration can be completed or confirmed at https://supplier.ohio.gov.

16. **Affirmative Action.** Before a contract can be awarded or renewed, an Affirmative Action Program Verification Form must be completed using:


   Approved Affirmative Action Plans can be found by going to the Equal Opportunity Department’s Web site:

   https://eodreporting.oit.ohio.gov/affirmative-action

   Copies of approved Affirmative Action plans shall be supplied by the Offeror as part of its Proposal or inclusion of an attestation to the fact that the Offeror has completed the process and is pending approval by the EOD office.

17. **Prohibition of the Expenditure of Public Funds for Offshore Services.** No State Cabinet, Agency, Board or Commission will enter into any contract to purchase services provided outside the United States or that allows State data to be sent, taken, accessed, tested, maintained, backed-up, stored, or made available remotely outside (located) of the United States. Notwithstanding any other terms of this Contract, the State reserves the right to recover any funds paid for services the Contractor performs outside of the United States for which it did not receive a waiver. The State does not waive any other rights and remedies provided the State in the Contract.

   The Contractor must complete the Contractor/Subcontractor Affirmation and Disclosure form affirming the Contractor understands and will meet the requirements of the above prohibition. During the performance of this Contract, the Contractor must not change the location(s) disclosed on the Affirmation and Disclosure Form, unless a duly signed waiver from the State has been attained to perform the services outside the United States.

18. **Cost Summary Form.** The Cost Summary Form (Attachment Nine) must be submitted with the Offeror’s Proposal. The Offeror’s total cost for the entire Project must be represented as the firm fixed prices for each item listed on the Cost Summary Form. Offerors shall provide a comprehensive cost analysis; this cost must include all ancillary costs. All costs for furnishing the services must be included in the Cost Proposals as requested. No mention of or reference to, the Cost Proposals may be made in responses to the general, technical, performance, or support requirements of this RFP.
All prices, costs, and conditions outlined in the proposal shall remain fixed and valid for acceptance for 120 days, starting on the due date for proposals. The awarded contractor must hold the accepted prices and/or costs for the initial term of the contract. No price change shall be effective without prior written consent from DAS, OPS.

NOTE: Offeror’s should ensure Cost Proposals are submitted separately from the Technical Proposals, as indicated the Proposal Submittal paragraph of this RFP (see Part Three). This information should not be included in the Technical Proposal.

The State shall not be liable for any costs the Offeror does not identify in its Proposal.
STATEMENT OF WORK. The RFP and the Offeror's Proposal (collectively referred to as the "RFP") are a part of this Contract and describe the Work (the "Project") the Contractor will do and any materials the Contractor will deliver (the "Deliverables") under this Contract. The Contractor will do the Project in a professional, timely, and efficient manner and will provide the Deliverables in a proper fashion. The Contractor will also furnish its own support staff necessary for the satisfactory performance of the Project.

The Contractor will consult with the appropriate State representatives and others necessary to ensure a thorough understanding of the Project and satisfactory performance. The State may give instructions to or make requests of the Contractor relating to the Project. The Contractor will comply with those instructions and fulfill those requests in a timely and professional manner. Those instructions and requests will be for the sole purpose of ensuring satisfactory completion of the Project and will not amend or alter the scope of the Project.

TERM. Unless this Contract is terminated, or expires without renewal, it will remain in effect until the Project is completed to the satisfaction of the State and the Contractor is paid. The current General Assembly cannot commit a future General Assembly to an expenditure. Therefore, this Contract will automatically expire at the end of each biennium. The State, however, may renew this Contract in the next biennium by issuing written notice to the Contractor of the decision to do so. This expiration and renewal procedure will also apply to the end of any subsequent biennium during which the Project continues. Termination or expiration of this Contract will not limit the Contractor's continuing obligations with respect to Deliverables that the State paid for before termination or limit the State's rights in such.

It is understood that the State's funds are contingent upon the availability of lawful appropriations by the Ohio General Assembly. If the General Assembly fails at any time to continue funding for the payments and other obligations due as part of this Contract, the State's obligations under this Contract are terminated as of the date that the funding expires without further obligation of the State.

The Project has a completion date that is identified in the RFP. The RFP may also have several dates for delivery of Deliverables or reaching certain milestones in the Project. The Contractor must make those deliveries, meet those milestones, and complete the Project within the times the RFP and the mutually agreed to Work Plan requires. If the Contractor does not meet those dates, the Contractor will be in default, and the State may terminate this Contract under the termination provision contained below. The State may also have certain obligations to meet. Those obligations, if any, are also listed in the RFP. If the State agrees that the Contractor's failure to meet the delivery, milestone, or completion dates in the RFP is due to the State's failure to meet its own obligations in a timely fashion, then the Contractor will not be in default, and the delivery, milestone, and completion dates affected by the State's failure to perform will be extended by the same amount of time as the State's delay. The Contractor may not rely on this provision unless the Contractor has in good faith exerted all professional management skill to avoid an extension and has given the State meaningful written notice of the State's failure to meet its obligations within five (5) business days of the Contractor's realization that the State's delay will impact the Project. The notice to the State must be directed at making the State aware of its delay and the impact of its delay. It must be sent to the Agency Project Representative and the State Procurement Representative. Remedies resulting from the State's delay will be at the State's discretion.

The State seeks a complete Project. Any incidental items omitted in the RFP will be provided as part of the Contractor's not-to-exceed fixed price. The Contractor must fully identify, describe, and document all systems that are delivered as a part of the Project. All hardware, software, supplies, and other required components (such as documentation, conversion, training, and maintenance) for the Project to be complete and useful to the State are included in the Project and the not-to-exceed fixed price.

ECONOMIC PRICE ADJUSTMENT. The Contract prices(s) will remain firm throughout the initial term of the Contract. Thereafter, prior to Contract renewal, the Contractor may submit a request to adjust their price(s) to be effective on the effective date of the Contract's renewal. No price adjustment will be permitted prior to the effective date; on purchase orders that are already being processed; or on purchase orders that have been filled.

Price increases must be supported by a general price increase in the cost of the materials/services rendered due to documented increases in the cost of related materials/services. Detailed documentation, to include a comparison list of the Contract items and proposed price adjustments must be submitted to support the requested adjustment. Supportive documentation should include, but is not limited to: copies of the old and the current price lists or similar documents which indicate the original base cost of the product to the Contractor and the corresponding adjustment, and/or copies of correspondence sent by the Contractor's supplier on the supplier's letterhead, which contain the above price information and explains the source of the adjusted costs in such areas as raw materials, freight, fuel or labor, etc.
Should there be a decrease in the cost of the finished product due to a general decline in the market or some other factor, the Contractor is responsible to notify DAS immediately. The price decrease adjustment will be incorporated into the Contract and will be effective on all purchase orders issued after the effective date of the decrease. If the price decrease is a temporary decrease, such should be noted on the invoice. In the event that the temporary decrease is revoked, the Contract pricing will be returned to the pricing in effect prior to the temporary decrease. Failure to comply with this provision will be considered as a default and will be subject to the Suspension and Termination section contained herein.

COMPENSATION. In consideration of the Contractor's promises and satisfactory performance, the State will pay the Contractor the amount(s) identified in the RFP (the "Fee"), plus any other expenses identified as reimbursable in the RFP. In no event will payments under this Contract exceed the "not-to-exceed" amount in the RFP without the prior, written approval of the State and, when required, the Ohio Controlling Board and any other source of funding. The Contractor's right to the Fee is contingent on the complete and satisfactory performance of the Project or, in the case of milestone payments or periodic payments of an hourly, daily, weekly, monthly, or annual rate, all relevant parts of the Project tied to the applicable milestone or period. Payment of the Fee is also contingent on the Contractor delivering a proper invoice and any other documents required by the RFP.

An invoice must comply with the State's then-current policies regarding invoices and their submission. The State will notify the Contractor in writing within fifteen (15) business days after it receives a defective invoice of any defect and provide the information necessary to correct the defect.

The Contractor will send all invoices under this Contract to the "bill to" address in the RFP or in the applicable purchase order.

The State will pay the Contractor interest on any late payment as provided in Section 126.30 of the Ohio Revised Code (the "Revised Code"). If the State disputes a payment for anything covered by an invoice, within 15 business days after receipt of that invoice, the State will notify the Contractor, in writing, stating the grounds for the dispute. The State may then deduct the disputed amount from its payment as a non-exclusive remedy. If, in the opinion of the State, a material breach has occurred by the Contractor, the State retains the right to withhold payment from the Contractor. Both parties agree that an attempt at resolution of any claims or material breach or disputes will first be made jointly by the Contractor Project Manager, the Contractor Project Principal, the Agency Project Representative and the State Procurement Administrator. If, within 30 calendar days following the above notification, the claim or dispute has not been resolved, only then will it be submitted to non-binding mediation (pursuant to the rules as stipulated by the American Arbitration Association). A claim or dispute must be submitted to non-binding mediation prior to the initiation of any formal legal process. The State will consult with the Contractor as early as reasonably possible about the nature of the claim or dispute and the amount of payment affected. When the Contractor has resolved the matter to the State's satisfaction, the State will pay the disputed amount within 30 business days after the matter is resolved. No payments are required to be made by the State until the matter is resolved.

If the State has already paid the Contractor on an invoice but later disputes the amount covered by the invoice, and if the Contractor fails to correct the problem within 30 calendar days after written notice, the Contractor will reimburse the State for that amount at the end of the 30 calendar days as a non-exclusive remedy for the State. On written request from the Contractor, the State will provide reasonable assistance in determining the nature of the problem by giving the Contractor reasonable access to the State's facilities and any information the State has regarding the problem.

REIMBURSABLE EXPENSES. The State will pay all reimbursable expenses identified in the RFP, if any, in accordance with the terms in the RFP and, where applicable, Section 126.31 of the Revised Code. The Contractor will assume all expenses that it incurs in the performance of this Contract that are not identified as reimbursable in the RFP.

In making any reimbursable expenditure, the Contractor will always comply with the more restrictive of its own, then-current internal policies for making such expenditures or with the State's then-current policies. All reimbursable travel will require the advance written approval of the State's Agency Project Representative. All reimbursable expenses will be billed monthly and paid by the State within 30 business days of receiving the Contractor's invoice.

CERTIFICATION OF FUNDS. None of the rights, duties, or obligations in this Contract will be binding on the State, and the Contractor will not begin its performance, until all the following conditions have been met:
1. All statutory provisions under ORC Section 126.07, have been met.
2. All necessary funds are made available by the appropriate state agencies.
3. If required, approval of this Contract is given by the Controlling Board of Ohio.

If the State is relying on Federal or third-party funds for this Contract, the State gives the Contractor written notice that such funds have been made available.
EMPLOYMENT TAXES. Each party will be solely responsible for reporting, withholding, and paying all employment related taxes, payments, and withholdings for its own personnel, including, but not limited to, Federal, state and local income taxes, social security, unemployment or disability deductions, withholdings, and payments (together with any interest and penalties not disputed with the appropriate taxing authority). All people the Contractor provides to the State under this Contract will be deemed employees of the Contractor for purposes of withholdings, taxes, and other deductions or contributions required under the law.

SALES, USE, EXCISE, AND PROPERTY TAXES. The State is exempt from any sales, use, excise, and property tax. To the extent sales, use, excise, or any similar tax is imposed on the Contractor in connection with the Project, such will be the sole and exclusive responsibility of the Contractor. The Contractor will pay such taxes, together with any interest and penalties not disputed with the appropriate taxing authority, whether they are imposed at the time the services are rendered or at a later time.

NOTICE ON THE USE OF SOCIAL SECURITY NUMBERS AS FEDERAL TAX IDENTIFICATION NUMBERS. DAS requires suppliers and contractors wishing to do business with the State to provide their Federal Taxpayer Identification Number to the Department. The Department does this so that it can perform statutorily required “responsibility” analyses on those suppliers and contractors doing business with the State and, under limited circumstances, for tax reporting purposes. If you are a supplier or contractor using your Social Security Number as your Federal Taxpayer Identification Number, please be aware that the information you submit is a public record, and the Department may be compelled by Ohio law to release Federal Taxpayer Identification Numbers as a public record. If you do not want to have your Social Security Number potentially disclosed as a Federal Taxpayer Identification Number, the Department encourages you to use a separate Employer Identification Number (EIN) obtained from the United States Internal Revenue Service’s to serve as your Federal Taxpayer Identification Number.

ELECTRONIC COMMERCE PROGRAM. The State of Ohio is an active participant in E-Commerce to include Electronic Data Interchange (EDI). This program will benefit both the State and the Contractor by reducing time delays in receiving invoices and making payments that are associated with the existing manual processes. The contractor is encouraged to move toward compliance with electronic commerce technologies as this will be the preferred method of doing business with the State of Ohio. Information regarding E-Commerce is available on the Office of Budget and Management’s website at http://obm.ohio.gov/StateAccounting/edi/default.aspx for additional information regarding E-Commerce.
ATTACHMENT THREE: GENERAL TERMS AND CONDITIONS
PART TWO: WORK & CONTRACT ADMINISTRATION

RELATED CONTRACTS. The Contractor warrants that the Contractor has not and will not enter into any contracts without written approval of the State to perform substantially identical services for the State such that the Project duplicates the work done or to be done under the other contracts.

PROHIBITION OF THE EXPENDITURE OF PUBLIC FUNDS ON OFFSHORE SERVICES.

1. Executive Order Requirements. The Contractor affirms to have read and understands Executive Order 2019-12D and shall abide by those requirements in the performance of this Contract. Notwithstanding any other terms of this Contract, the State reserves the right to recover any funds paid for services the Contractor performs outside of the United States for which it did not receive a waiver. The State does not waive any other rights and remedies provided the State in this Contract.

The Offeror must complete the attached Contractor/Subcontractor Affirmation and Disclosure form attachment to abide with Executive Order 2019-12D, affirming no services of the Contractor or its subcontractors under this Contract will be performed outside the United States. During the performance of this Contract, the Contractor must not change the location(s) of the country where the services are performed, change the location(s) of the country where the data are maintained, or made available unless a duly signed waiver from the State has been attained to perform the services outside the United States.

2. Termination, Sanction, Damages. If Contractor or any of its subcontractors perform services under this Contract outside of the United States, the performance of such services shall be treated as a material breach of the Contract. The State is not obligated to pay and shall not pay for such services. If Contractor or any of its subcontractors perform any such services, Contractor shall immediately return to the State all funds paid for those services. The State may also recover from the Contractor all costs associated with any corrective action the State may undertake, including but not limited to an audit or a risk analysis, as a result of the Contractor performing services outside the United States.

The State may, at any time after the breach, terminate the Contract, upon written notice to the Contractor. The State may recover all accounting, administrative, legal and other expenses reasonably necessary for the preparation of the termination of the Contract and costs associated with the acquisition of substitute services from a third party.

If the State determines that actual and direct damages are uncertain or difficult to ascertain, the State in its sole discretion may recover a payment of liquidated damages in the amount of one percent (1.0 %) of the value of the Contract.

The State, in its sole discretion, may provide written notice to Contractor of a breach and permit the Contractor to cure the breach. Such cure period shall be no longer than 21 calendar days. During the cure period, the State may buy substitute services from a third party and recover from the Contractor any costs associated with acquiring those substitute services.

Notwithstanding the State permitting a period of time to cure the breach or the Contractor’s cure of the breach, the State does not waive any of its rights and remedies provided the State in this Contract, including but not limited to recovery of funds paid for services the Contractor performed outside of the United States, costs associated with corrective action, or liquidated damages.

3. Assignment / Delegation. The Contractor will not assign any of its rights, nor delegate any of its duties and responsibilities under this Contract, without prior written consent of the State. Any assignment or delegation not consented to may be deemed void by the State.

SUBCONTRACTING. Subcontractors are not permitted under this Contract. The Contractor may not enter into subcontracts for the Work after award without written approval from the State. The Contractor will not need the State's written approval to subcontract for the purchase of commercial goods that are required for satisfactory completion of the Work. All subcontracts will be at the sole expense of the Contractor unless expressly stated otherwise in the RFP.

The State's approval of the use of subcontractors does not mean that the State will pay for them. The Contractor will be solely responsible for payment of its subcontractor and any claims of subcontractors for any failure of the Contractor or any of its other subcontractors to meet the performance schedule or performance specifications for the Project in a timely and professional manner. The Contractor will hold the State harmless for and will indemnify the State against any such claims.

The Contractor will assume responsibility for all Deliverables whether it, a subcontractor, or third-party manufacturer produces them in whole or in part. Further, the State will consider the Contractor to be the sole point of contact with regard to contractual matters, including payment of all charges resulting from the Contract. The Contractor will be fully responsible for any default by a subcontractor, just as if the Contractor itself had defaulted.
If the Contractor uses any subcontractors, each subcontractor must have a written agreement with the Contractor. That written agreement must incorporate this Contract by reference. The agreement must also pass through to the subcontractor all provisions of this Contract that would be fully effective only if they bind both the subcontractor and the Contractor. Among such provisions are the limitations on the Contractor's remedies, the insurance requirements, record keeping obligations, and audit rights. Some sections of this Contract may limit the need to pass through their requirements to subcontracts to avoid placing cumbersome obligations on minor subcontractors. This exception is applicable only to sections that expressly provide exclusions for small-dollar subcontracts. Should the Contractor fail to pass through any provisions of this Contract to one of its subcontractors and the failure damages the State in any way, the Contractor will indemnify the State for the damage.

RECORD KEEPING. The Contractor will keep all financial records in accordance with generally accepted accounting procedures consistently applied. The Contractor will file documentation to support each action under this Contract in a manner allowing it to be readily located. The Contractor will keep all Project-related records and documents at its principal place of business or at its office where the work was performed.

The Contractor will keep a separate account for the Project (the "Project Account"). All payments made from the Project Account will be only for obligations incurred in the performance of this Contract and will be supported by contracts, invoices, vouchers, and any other data needed to audit and verify the payments. All payments from the Project Account will be for obligations incurred only after the effective date of this Contract unless the State has given specific written authorization for making prior payments from the Project Account.

AUDITS. During the term of this Contract and for three (3) years after the payment of the Contractor's Fee, on reasonable notice and during customary business hours, the State may audit the Contractor's records and other materials that relate to the Project. This audit right will also apply to the State's duly authorized representatives and any person or organization providing financial support for the Project.

Unless it is impracticable to do so, all records related to this Contract must be kept in a single location, either at the Contractor's principle place of business or its place of business where the work was done. If this is not practical, the Contractor will assume the cost of collecting, organizing, and relocating the records and any technology needed to access the records to the Contractor’s office nearest Columbus whenever the State or anyone else with audit rights requests access to the Contractor’s Project records. The Contractor will do so with all due speed, not to exceed five (5) business days.

If any audit reveals any material deviation from the Project's specifications, any misrepresentation, or any overcharge to the State, the State will be entitled to recover damages, as well as the cost of the audit.

For each subcontract in excess of $25,000, the Contractor will require its subcontractors to agree to the requirements of this section and of the record-keeping section. Subcontracts with smaller amounts involved need not meet this requirement. The Contractor may not artificially break up contracts with its subcontractors to take advantage of this exclusion.

INSURANCE. Until all obligations under this Agreement or any Order are satisfied, and without limiting Contractor's indemnification obligations under Indemnity, Contractor shall provide and maintain the insurance policies set forth below. All commercial insurance required shall be provided by insurers with a rating of not less than A-VII from AM Best or a comparable rating agency. Contractor shall also cause each of its Subcontractors to comply with all requirements in this Section.

Coverage shall be at least as broad as:

1. Commercial General Liability (CGL): written on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than $1,000,000 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit. Defense costs shall be outside the policy limits.

2. Automobile Liability insurance covering, Code 1 (any auto), or if Contractor has no owned autos, Code 8 (hired) and 9 (non-owned), with a limit no less than $1,000,000 per accident for bodily injury and property damage.

3. Workers' Compensation insurance as required by the State of Ohio, or the state in which the work will be performed, with Statutory Limits, and Employer's Liability Insurance with a limit of no less than $1,000,000 per accident for bodily injury or disease. If Contractor is a sole proprietor, partnership or has no statutory requirement for workers' compensation, Contractor must provide a letter stating that it is exempt and agreeing to hold State of Ohio harmless from loss or liability for such.

4. Professional Liability (Errors and Omissions) Insurance appropriate to the Contractor’s profession, with limits not less than $2,000,000 per occurrence or claim, $2,000,000 aggregate. Coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by Contractor in this agreement and shall cover all applicable Contractor personnel or subcontractors who perform professional services related to this agreement.
5. Cyber liability (first and third party) with limits not less than $2,000,000 per claim, $2,000,000 aggregate. Coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by Contractor in this agreement and shall include, but not be limited to, claims involving infringement of intellectual property, including but not limited to infringement of copyright, trademark, trade dress, invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information, alteration of electronic information, extortion and network security. The coverage shall provide for breach response costs as well as regulatory fines and penalties and credit monitoring expenses with limits sufficient to respond to these obligations.

6. Third Party Crime including employee dishonesty, forgery or alteration, computer and funds transfer fraud with a blanket limit of no less than $250,000. Coverage shall apply to all persons employed directly by Contractor.

The Insurance obligations under this agreement shall be the minimum Insurance coverage requirements and/or limits shown in this agreement. Any insurance proceeds in excess of or broader than the minimum required coverage and/or minimum required limits, which are applicable to a given loss, shall be available to the State of Ohio. No representation is made that the minimum Insurance requirements of this agreement are sufficient to cover the obligations of the Contractor under this agreement.

The insurance policies are to contain, or be endorsed to contain, the following provisions:

Additional Insured Status
Except for Workers’ Compensation and Professional Liability insurance, the State of Ohio, its officers, officials and employees are to be covered as additional insureds with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts, or equipment furnished in connection with such work or operations. Coverage can be provided in the form of an endorsement to the Contractor's insurance.

Primary Coverage
For any claims related to this contract, the Contractor’s insurance coverage shall be primary insurance. Any insurance or self-insurance maintained by the State of Ohio, its officers, officials and employees shall be excess of the Contractor's insurance and shall not contribute with it.

Umbrella or Excess Insurance Policies
Umbrella or excess commercial liability policies may be used in combination with primary policies to satisfy the limit requirements above. Such Umbrella or excess commercial liability policies shall apply without any gaps in the limits of coverage and be at least as broad as and follow the form of the underlying primary coverage required above.

Notice of Cancellation
Contractor shall provide State of Ohio with 30 days’ written notice of cancellation or material change to any insurance policy required above, except for non-payment cancellation. Material change shall be defined as any change to the insurance limits, terms or conditions that would limit or alter the State’s available recovery under any of the policies required above. A lapse in any required insurance coverage during this Agreement shall be a breach of this Agreement.

Waiver of Subrogation
Contractor hereby grants to State of Ohio a waiver of any right to subrogation which any insurer of said Contractor may acquire against the State of Ohio by virtue of the payment of any loss under such insurance. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the State of Ohio has received a waiver of subrogation endorsement from the insurer.

Deductibles and Self-Insured Retentions
Deductibles and self-insured retentions must be declared to and approved by the State. The State may require the Contractor to provide proof of ability to pay losses and related investigations, claims administration and defense expenses within the retention. The policy language shall provide, or be endorsed to provide, that the deductible or self-insured retention may be satisfied by either the named insured or the State.

Claims Made Policies
If any of the required policies provide coverage on a claims-made basis:

1. The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work.

2. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the contract of work.

3. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the contract effective date, the Contractor must purchase "extended reporting" coverage for a minimum of five (5) years after completion of contract work. The Discovery Period must be active during the Extended Reporting Period.
Verification of Coverage
Contractor shall furnish the State of Ohio with original certificates and amending endorsements or copies of the applicable policy language effecting coverage required by this clause. All certificates and endorsements are to be received and approved by the State of Ohio before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor’s obligation to provide them. The State of Ohio reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

Subcontractors
Subcontractors are not permitted under this Contract, but should there be a change to allow subcontractors, the Contractor shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Contractor shall ensure that State of Ohio is an additional insured on insurance required from subcontractors.

Special Risks or Circumstances
State of Ohio reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

STATE PERSONNEL. During the term of this Contract and for one (1) year after completion of the Project, the Contractor will not hire or otherwise contract for the services of any state employee involved with the Project.

REPLACEMENT PERSONNEL. If the Offeror’s Proposal contains the names of specific people who will work on the Project, then the quality and professional credentials of those people were material factors in the State’s decision to enter into this Contract. Therefore, the Contractor will use all commercially reasonable efforts to ensure the continued availability of those people. Also, the Contractor will not remove those people from the Project without the prior, written consent of the State except as provided below.

The Contractor may remove a person listed in its Proposal from the Project if doing so is necessary for legal or disciplinary reasons. The Contractor must make a reasonable effort to give the State 30 calendar days’ prior, written notice of the removal.

The Contractor must have qualified replacement people available to replace any people listed by name in its Proposal. When the removal of a listed person is permitted under this Section, or if a person becomes unavailable, the Contractor will submit the resumes for two (2) replacement people for each person removed or who otherwise becomes unavailable. The Contractor will submit the two (2) resumes, along with such other information as the State may reasonably request, within five (5) business days after the decision to remove a person is made or the unavailability of a listed person becomes known to the Contractor.

The State will select one of the two proposed replacements or will reject both of them within ten business days after the Contractor has submitted the proposed replacements to the State. The State may reject the proposed replacements for any legal reason(s). Should the State reject both replacement candidates due to their failure to meet the minimum qualifications identified in the RFP, or should the Contractor fail to provide the notice required under this Section or fail to provide two (2) qualified replacement candidates for each removed or unavailable person, the Contractor will be in default and the cure period for default specified elsewhere in this Contract will not apply. In the event of such a default, the State will have the right to terminate this Contract and to have the damages specified elsewhere in this Contract for termination due to default.

The State may determine that proposed replacement candidates meet the minimum qualifications of this Contract and still substantially reduce the value the State perceived it would receive through the work of the original individual(s) the Contractor proposed and on whose credentials the State decided to enter into this Contract. Therefore, the State will have the right to reject any candidate that the State determines will provide it with diminished value.

Should the State reject both proposed candidates for any legal reason other than their failure to meet the minimum qualifications identified in the RFP, then such rejection may be deemed a termination for convenience.

The State has an interest in providing a healthy and safe environment for its employees and guests at its facilities. The State also has an interest in ensuring, and right to ensure, that its operations are carried out in an efficient, professional, legal, and secure manner. The State, therefore, will have the right to require the Contractor to remove any individual working on the Project if the State determines that any such individual has or may interfere with the State’s interests identified above. In such a case, the request for removal will be treated as a case in which an individual providing services under this Contract has become unavailable, and the Contractor will follow the procedures identified above for replacing unavailable people. This provision applies to people engaged by the Contractor’s subcontractors if they are listed as key people in the Proposal.

CONTRACT NON-COMPLIANCE. A primary goal of the Agency is to assure that the program receives high quality services from the Contractor. To this end, the Agency will work in partnership with the Contractor(s) to meet this goal. The partnership
is defined by the Contract and it is important that communication between the Contractor and state agencies be open and supportive. Should contract non-compliance be an issue, the Agency shall make every effort to resolve the problem.

1. Non-Compliance Issues. Contractor non-compliance with the specifications and terms and conditions outlined in the Contract may result in the imposition of remedies as explained below in paragraph 2.

   The Agency must be promptly notified of any procedural changes outside the technical requirements listed herein.

2. Resolution for Contract Non-Compliance. The Agency will be responsible for monitoring the Contractor's performance and compliance with the terms, conditions, and specifications of the contract.

   a. For any infractions not immediately remedied by the Contractor, the Agency will notify DAS through a Complaint to Supplier (CTV) to help resolve the infraction.

   b. DAS will impose upon the Contractor remedies for non-compliance regarding contract specifications and terms and conditions. Remedies imposed will be in proportion with the severity of the non-compliance and may be progressive in nature.

SUSPENSION AND TERMINATION. The State may terminate this Contract if the Contractor defaults in meeting its obligations under this Contract and fails to cure its default within the time allowed by this Contract, or if a petition in bankruptcy (or similar proceeding) has been filed by or against the Contractor. The State may also terminate this Contract if the Contractor violates any law or regulation in doing the Project, or if it appears to the State that the Contractor’s performance is substantially endangered through no fault of the State. In any such case, the termination will be for cause, and the State’s rights and remedies will be those identified below for termination for cause.

On written notice, the Contractor will have 30 calendar days to cure any breach of its obligations under this Contract, provided the breach is curable. If the Contractor fails to cure the breach within 30 calendar days after written notice or if the breach is not one that is curable, the State will have the right to terminate this Contract. The State may also terminate this Contract in the case of breaches that are cured within 30 calendar days but are persistent. “Persistent” in this context means that the State has notified the Contractor in writing of the Contractor’s failure to meet any of its obligations three (3) times. After the third notice, the State may terminate this Contract without a cure period if the Contractor again fails to meet any obligation. The three (3) notices do not have to relate to the same obligation or type of failure. Some provisions of this Contract may provide for a shorter cure period than 30 calendar days or for no cure period at all. Those provisions will prevail over this one. If a particular section does not state what the cure period will be, this provision will govern.

The State may also terminate this Contract for its convenience and without cause or if the Ohio General Assembly fails to appropriate funds for any part of the Project. If a third party is providing funding for the Project, the State may also terminate this Contract should that third party fail to release any Project funds. The RFP identifies any third party source of funds for the Project.

The notice of termination, whether for cause or without cause, will be effective as soon as the Contractor receives it. Upon receipt of the notice of termination, the Contractor will immediately cease all work on the Project and take all steps necessary to minimize any costs the Contractor will incur related to this Contract. The Contractor will also immediately prepare a report and deliver it to the State. The report must be all-inclusive; no additional information will be accepted following the initial submission. The report must detail the work completed at the date of termination, the percentage of the Project’s completion, any costs incurred in doing the Project to that date and any Deliverables completed or partially completed but not delivered to the State at the time of termination. The Contractor will also deliver all the completed and partially completed Deliverables to the State with its report. If delivery in that manner would not be in the State’s interest, then the Contractor will propose a suitable alternative form of delivery.

If the State terminates this Contract for cause, it will be entitled to cover for the Project by using another Contractor on such commercially reasonable terms as it and the covering contractor may agree. The Contractor will be liable to the State for all costs related to covering for the Project to the extent that such costs, when combined with payments already made to the Contractor for the Project before termination, exceed the costs that the State would have incurred under this Contract. The Contractor will also be liable for any other direct damages resulting from its breach of this Contract or other action leading to termination for cause.

If the termination is for the convenience of the State, the Contractor will be entitled to compensation for any work on the Project that the Contractor has performed before the termination. Such compensation will be the Contractor’s exclusive remedy in the case of termination for convenience and will be available to the Contractor only once the Contractor has submitted a proper invoice for such, with the invoice reflecting the amount determined to be owing to the Contractor by the State. The State will make that determination based on the lesser of the percentage of the Project completed or the hours of work performed in relation to the estimated total hours required to perform the entire applicable unit(s) of Work.

The State will have the option of suspending rather than terminating the Project where the State believes that doing so would better serve its interests. In the event of a suspension for the convenience of the State, the Contractor will be entitled to
receive payment for the work performed before the suspension. In the case of suspension of the Project rather than termination for cause, the Contractor will not be entitled to any compensation for any work performed. If the State reinstates the Project after suspension for cause, rather than terminating this Contract after the suspension, the Contractor may be entitled to compensation for work performed before the suspension, less any damage to the State resulting from the Contractor’s breach of this Contract or other fault. Any amount due for work before or after the suspension for cause will be offset by any damage to the State from the default or other event giving rise to the suspension.

In the case of a suspension for the State’s convenience, the amount of compensation due to the Contractor for work performed before the suspension will be determined in the same manner as provided in this section for termination for the State’s convenience. The Contractor will not be entitled to compensation for any other costs associated with a suspension for the State’s convenience. No payment under this provision will be made to the Contractor until the Contractor submits a proper invoice.

Any notice of suspension, whether with or without cause, will be effective immediately on the Contractor’s receipt of the notice. The Contractor will prepare a report concerning the Project just as is required by this Section in the case of termination. After suspension of the Project, the Contractor will not perform any work without the consent of the State and will resume work only on written notice from the State to do so. In case of suspension, the State retains its right to terminate this Contract rather than to continue the suspension or resume the Project. If the suspension is for the convenience of the State, then termination of the Contract will be a termination for convenience. If the suspension is with cause, the termination will also be for cause.

The State will not suspend the Project for its convenience more than once during the term of this Contract, and any suspension for the State’s convenience will not continue for more than 30 calendar days. If the Contractor does not receive notice to resume or terminate the Project within the 30-day period, then this Contract will terminate automatically for the State’s convenience at the end of the 30-calendar day period.

Any default by the Contractor or one of its subcontractors will be treated as a default by the Contractor and all of its subcontractors. The Contractor will be solely responsible for satisfying any claims of its subcontractors for any suspension or termination and will indemnify the State for any liability to them. Each subcontractor will hold the State harmless for any damage caused to them from a suspension or termination. They will look solely to the Contractor for any compensation to which they may be entitled.

The Contractor may, at its discretion, request termination with a minimum 60-day notice in writing. The State will review the request and respond in writing to the Contractor with its findings.

**CONTRACT REMEDIES.**

1. **Actual Damages.** Contractor is liable to the State of Ohio for all actual and direct damages caused by Contractor’s default. The State may buy substitute supplies or services, from a third party, for those that were to be provided by Contractor. The State may recover the costs associated with acquiring substitute supplies or services, less any expenses or costs saved by Contractor’s default, from Contractor.

2. **Liquidated Damages.** If actual and direct damages are uncertain or difficult to determine, the State may recover liquidated damages in the amount of 1% of the value of the order, deliverable or milestone that is the subject of the default, for every day the default is not cured by Contractor.

3. **Deduction of Damages from Contract Price.** The State may deduct all or any part of the damages resulting from Contractor’s default from any part of the price still due on the contract, upon prior written notice being issued to the Contractor by the State.

**REPRESENTATIVES.** The State’s representative under this Contract will be the person identified in the RFP or a subsequent notice to the Contractor as the “Agency Project Representative”. The Agency Project Representative will review all reports made in the performance of the Project by the Contractor, will conduct all liaison with the Contractor, and will accept or reject the Deliverables and the complete Project. The Agency Project Representative may assign to a manager, responsibilities for individual aspects of the Project to act as the Agency Project Representative for those individual portions of the Project.

The Contractor’s Project Manager under this Contract will be the person identified in the Proposal as the “Project Manager.” The Project Manager will conduct all liaisons with the State under this Contract. Either party, upon written notice to the other party, may designate another representative. The Project Manager may not be replaced without the approval of the State if that individual is identified in the Proposal as a key individual on the Project.

**WORK RESPONSIBILITIES.** The State will be responsible for providing only those things expressly identified, if any, in the RFP. If the State has agreed to provide facilities or equipment, the Contractor, by signing this Contract, warrants that the Contractor has either inspected the facilities and/or equipment or has voluntarily waived an inspection and will work with the equipment and/or facilities on an “as is” basis.
The Contractor will assume the lead in the areas of management, design, and development of the Project. The Contractor will coordinate the successful execution of the Project and direct all Project activities on a day-to-day basis, with the advice and consent of the Agency Project Representative. The Contractor will be responsible for all communications regarding the progress of the Project and will discuss with the Agency Project Representative any issues, recommendations, and decisions related to the Project.

If the Project, or parts of it, requires installation on the State’s property, the State will provide the Contractor with reasonable access to the installation site for the installation and any site preparation that is needed. After the installation is complete, the Contractor will complete an installation letter and secure the signature of Agency Project Representative certifying that installation is complete and the Project, or applicable portion of it, is operational. The letter will describe the nature, date, and location of the installation, as well as the date it was certified as installed and operational by the Agency Project Representative.

Unless otherwise provided in the RFP, the Contractor will be responsible for obtaining all official permits, approvals, licenses, certifications, and similar authorizations required by any local, state, or Federal agency for the Project and maintaining them throughout the duration of this Contract.

CHANGES. The State may make reasonable changes, within the general scope of the Project. The State will do so by issuing a written order under this Contract describing the nature of the change (“Change Order”). Additionally, if the State provides directions or makes requests of the Contractor without a change order, and the Contractor reasonably believes the directions or requests are outside the specifications for the Project, the Contractor will have the right to request a Change Order from the State. Scope of Work changes will be managed as follows: pricing will be provided from the Contractor to the State. The State will execute a Change Order once it and the Contractor have agreed on the description of and specifications for the change as well as any equitable adjustments that need to be made in the Contractor’s Fee or the performance schedule for the Work. Within five (5) business days after receiving the Change Order, the Contractor will sign it to signify agreement.

If a change causes an increase in the cost of, or the time required for, the performance of the Project, the Contractor will notify the State in writing and request an equitable adjustment in the Contractor’s Fee, the delivery schedule, or both before the Contractor signs the Change Order. If the Contractor claims an adjustment under this section in connection with a change to the Project not described in a written Change Order, the Contractor must notify the State of the claim within five (5) business days after the Contractor is notified of the change and before work on the change begins. Otherwise, the Contractor will have waived the claim. In no event will the State be responsible for any increase in the Fee or revision in any delivery schedule unless the relevant change was specifically ordered in writing by the State and the Contractor has complied with the requirements of this section. Provided the State has complied with the procedure for Change Orders in this section, nothing in this clause will excuse the Contractor from proceeding with performance of the Project, as changed.

Where an equitable adjustment to the Contractor’s Fee is appropriate, the State and the Contractor may agree upon such an adjustment. If the State and the Contractor are unable to agree, and the Contractor seeks an equitable adjustment in its Fee, either party may submit the dispute to the senior management of the Contractor and the State for resolution. If, within 30 calendar days following referral to senior management, the claim or dispute has not been resolved, only then will it be submitted to non-binding mediation (pursuant to the rules as stipulated by the American Arbitration Association). A claim or dispute must be submitted to non-binding mediation prior to the initiation of any formal legal process. Costs of mediation will be shared equally. Both parties further agree to use best efforts to resolve any claims or disputes arising during the performance of this Contract within 30 calendar days following the initiation of the dispute process. The resolved amount will be the not-to-exceed amount of the Change Order. If the change involves removing a requirement from the Project or replacing one part of the Project with the change, the State will get a credit for the work no longer required under the original scope of the Project. The credit will be calculated in the same manner as the Contractor’s Fee for the change, and the not-to-exceed amount will be reduced by this credit.

The Contractor will be responsible for coordinating changes with its subcontractors and adjusting their compensation and performance schedule. The State will not pay any subcontractor for the Change Order. If a subcontractor will perform any work under a Change Order, that work must be included in the Contractor’s not-to-exceed amount and calculated in the same manner as the Contractor’s equitable adjustment for the portion of the work the Contractor will perform. The Contractor will not receive an overhead percentage for work a subcontractor will do under a Change Order.

EXCUSABLE DELAY. Neither party will be liable for any delay in its performance that arises from causes beyond its control and without its negligence or fault. The delayed party will notify the other promptly of any material delay in performance and will specify in writing the proposed revised performance date as soon as practicable after notice of delay. In the event of any such excusable delay, the date of performance or of delivery will be extended for a period equal to the time lost by reason of the excusable delay. The delayed party must also describe the cause of the delay and what steps it is taking to remove the cause. The delayed party may not rely on a claim of excusable delay to avoid liability for a delay if the delayed party has not taken commercially reasonable steps to mitigate or avoid the delay. Things that are controllable by the Contractor’s subcontractors will be considered controllable by the Contractor, except for third-party manufacturers supplying commercial items and over whom Contractor has no legal control.
INDEPENDENT STATUS OF THE CONTRACTOR. It is fully understood and agreed that Contractor is an independent contractor and is not an agent, servant, or employee of the State of Ohio or the Ohio Department of Administrative Services. Contractor declares that it is engaged as an independent business and has complied with all applicable federal, state, and local laws regarding business permits and licenses of any kind, including but not limited to any insurance coverage, workers' compensation, or unemployment compensation that is required in the normal course of business and will assume all responsibility for any federal, state, municipal or other tax liabilities. Additionally, Contractor understands that as an independent contractor, it is not a public employee and is not entitled to contributions from the State to any public employee retirement system.

Contractor acknowledges and agrees any individual providing personal services under this agreement is not a public employee for purposes of Chapter 145 of the Ohio Revised Code. Unless Contractor is a “business entity” as that term is defined in O.R.C. 145.037 (“an entity with five or more employees that is a corporation, association, firm, limited liability company, partnership, sole proprietorship, or other entity engaged in business”) Contractor shall have any individual performing services under the agreement complete and submit to the ordering agency the Independent Contractor/Worker Acknowledgement found at the following link: https://www.opers.org/forms-archive/PEDACKN.pdf#zoom=80).

Contractor’s failure to complete and submit the Independent Contractor/Worker Acknowledgement prior to commencement of the work, service or deliverable, provided under this contract, shall serve as Contractor’s certification that Contractor is a “Business entity” as the term is defined in O.R.C. 145.037.

Publicity. The Contractor will not advertise or publicize that it is doing business with the State or use this Contract or the Contractor’s relationship with the State as a marketing or sales tool, unless the State agrees otherwise in writing.
CONFIDENTIALITY. The State may disclose to the Contractor written material or oral or other information that the State treats as confidential ("Confidential Information"). Title to the Confidential Information and all related materials and documentation the State delivers to the Contractor will remain with the State. The Contractor must treat such Confidential Information as secret if it is so marked, otherwise identified as such, or when, by its very nature, it deals with matters that, if generally known, would be damaging to the best interests of the public, other contractors or potential contractors with the State, or individuals or organizations about whom the State keeps information. By way of example, information should be treated as confidential if it includes any proprietary documentation, materials, flow charts, codes, software, computer instructions, techniques, models, information, diagrams, know-how, trade secrets, data, business records, or marketing information. By way of further example, the Contractor also must treat as confidential materials such as police and investigative records, files containing personal information about individuals or employees of the State, such as personnel records, tax records, and so on, court and administrative records related to pending actions, any material to which an attorney-client, physician-patient, or similar privilege may apply, and any documents or records expressly excluded by Ohio law from public records disclosure requirements.

The Contractor agrees not to disclose any Confidential Information to third parties and to use it solely to do the Project. The Contractor will restrict circulation of Confidential Information within its organization and then only to people in the Contractor's organization that have a need to know the Confidential Information to do the Project. The Contractor will be liable for the disclosure of such information whether the disclosure is intentional, negligent, or accidental, unless otherwise provided below.

The Contractor will not be liable for any unintentional disclosure of Confidential Information that results despite the Contractor's exercise of at least the same degree of care as it normally takes to safeguard its own secrets, except when the Contractor's procedures are not reasonable given the nature of the Confidential Information or when the disclosure nevertheless results in liability to the State.

The Contractor will incorporate any portion of any Confidential Information into any work or product, other than a Deliverable, and will have no proprietary interest in any of the Confidential Information. Furthermore, the Contractor will cause all of its employees who have access to any Confidential Information to execute a confidentiality agreement incorporating the obligations in this section.

The Contractor's obligation to maintain the confidentiality of the Confidential Information will not apply where such: (1) Was already in the Contractor's possession before disclosure by the State, and such was received by the Contractor without obligation of confidence; (2) Is independently developed by the Contractor; (3) Is or becomes publicly available without breach of this Contract; (4) Is rightfully received by the Contractor from a third party without an obligation of confidence; (5) Is disclosed by the Contractor with the written consent of the State; or (6) Is released in accordance with a valid order of a court or governmental agency, provided that the Contractor (a) Notifies the State of such order immediately upon receipt of the order and (b) Makes a reasonable effort to obtain a protective order from the issuing court or agency limiting disclosure and use of the Confidential Information solely for the purposes intended to be served by the original order of production. The Contractor will return all originals of any Confidential Information and destroy any copies it has made on termination or expiration of this Contract.

The Contractor may disclose Confidential Information to its subcontractors on a need-to-know basis, but they will be obligated to the requirements of this section.

HANDLING OF THE STATE’S DATA. The Contractor must use due diligence to ensure computer and telecommunications systems and services involved in storing, using, or transmitting State data are secure and to protect that data from unauthorized disclosure, modification, or destruction. To accomplish this, the Contractor must:

1. Apply appropriate risk management techniques to ensure security for all sensitive data, including but not limited to any data identified as Confidential Information elsewhere in this Contract.
2. Ensure that its internal security policies, plans, and procedures address the basic security elements of confidentiality, integrity, and availability.
3. Maintain plans and policies that include methods to protect against security and integrity threats and vulnerabilities, as well as and detect and respond to those threats and vulnerabilities.
4. Maintain appropriate identification and authentication process for information systems and services associated with State data.
5. Maintain appropriate access control and authorization policies, plans, and procedures to protect system assets and other information resources associated with State data.
6. Implement and manage security audit logging on information systems, including computers and network devices.
The Contractor must maintain a robust boundary security capacity that incorporates generally recognized system hardening techniques. This includes determining which ports and services are required to support access to systems that hold State data, limiting access to only these points, and disable all others. To do this, the Contractor must use assets and techniques such as properly configured firewalls, a demilitarized zone for handling public traffic, host-to-host management, Internet protocol specification for source and destination, strong authentication, encryption, packet filtering, activity logging, and implementation of system security fixes and patches as they become available. The Contractor must use two-factor authentication to limit access to systems that contain particularly sensitive State data, such as personally identifiable data.

Unless the State instructs the Contractor otherwise in writing, the Contractor must assume all State data is both confidential and critical for State operations, and the Contractor’s security policies, plans, and procedure for the handling, storage, backup, access, and, if appropriate, destruction of that data must be commensurate to this level of sensitivity. As part of the Contractor’s protection and control of access to and use of data, the Contractor must employ appropriate intrusion and attack prevention and detection capabilities. Those capabilities must track unauthorized access and attempts to access the State’s data, as well as attacks on the Contractor’s infrastructure associated with the State’s data. Further, the Contractor must monitor and appropriately address information from its system tools used to prevent and detect unauthorized access to and attacks on the infrastructure associated with the State’s data.

The Contractor must use appropriate measures to ensure that State’s data is secure before transferring control of any systems or media on which State data is stored. The method of securing the data must be appropriate to the situation and may include erasure, destruction, or encryption of the data before transfer of control. The transfer of any such system or media must be reasonably necessary for the performance of the Contractor’s obligations under this Contract.

The Contractor must have a business continuity plan in place. The Contractor must test and update the IT disaster recovery portion of its business continuity plan at least annually. The plan must address procedures for response to emergencies and other business interruptions. Part of the plan must address backing up and storing data at a location sufficiently remote from the facilities at which the Contractor maintains the State’s data in case of loss of that data at the primary site. The plan also must address the rapid restoration, relocation, or replacement of resources associated with the State’s data in the case of a disaster or other business interruption. The Contractor’s business continuity plan must address short- and long-term restoration, relocation, or replacement of resources that will ensure the smooth continuation of operations related to the State’s data. Such resources may include, among others, communications, supplies, transportation, space, power and environmental controls, documentation, people, data, software, and hardware. The Contractor also must provide for reviewing, testing, and adjusting the plan on an annual basis.

The Contractor may not allow the State’s data to be loaded onto portable computing devices or portable storage components or media unless necessary to perform its obligations under this Contract properly. Even then, the Contractor may permit such only if adequate security measures are in place to ensure the integrity and security of the data. Those measures must include a policy on physical security for such devices to minimize the risks of theft and unauthorized access that includes a prohibition against viewing sensitive or confidential data in public or common areas. At a minimum, portable computing devices must have anti-virus software, personal firewalls, and system password protection. In addition, the State’s data must be encrypted when stored on any portable computing or storage device or media or when transmitted from them across any data network. The Contractor also must maintain an accurate inventory of all such devices and the individuals to whom they are assigned.

Any encryption requirement identified in this provision must meet the Ohio standard as defined in Ohio IT standard ITS-SEC-01, “Data Encryption and Cryptography”.

The Contractor must have reporting requirements for lost or stolen portable computing devices authorized for use with State data and must report any loss or theft of such to the State in writing as quickly as reasonably possible. The Contractor also must maintain an incident response capability for all security breaches involving State data whether involving mobile devices or media or not. The Contractor must detail this capability in a written policy that defines procedures for how the Contractor will detect, evaluate, and respond to adverse events that may indicate a breach or attempt to attack or access State data or the infrastructure associated with State data.

In case of an actual security breach that may have compromised State data, including but not loss or theft of devices or media, the Contractor must notify the State in writing of the breach within 24 hours of the Contractor becoming aware of the breach, and fully cooperate with the State to mitigate the consequences of such a breach. This includes any use or disclosure of the State data that is inconsistent with the terms of this Contract and of which the Contractor becomes aware, including but not limited to, any discovery of a use or disclosure that is not consistent with this Contract by an employee, agent, or subcontractor of the Contractor.
The Contractor must give the State full access to the details of the breach and assist the State in making any notifications to potentially affected people and organizations that the State deems are necessary or appropriate. The Contractor must document all such incidents, including its response to them, and make that documentation available to the State on request. In addition to any other liability under this Contract related to the Contractor's improper disclosure of State data, and regardless of any limitation on liability of any kind in this Contract, the Contractor will be responsible for acquiring one year’s identity theft protection service on behalf of any individual or entity whose personally identifiable information is compromised while it is in the Contractor's possession.

**OWNERSHIP OF DELIVERABLES.** All deliverables produced by the Contractor and covered by this Contract, including any software modifications, and documentation, shall be owned by the State, with all rights, title, and interest in all intellectual property that come into existence through the Contractor’s custom work being assigned to the State. Additionally, the Contractor waives any author rights and similar retained interests in custom-developed material. The Contractor will provide the State with all assistance reasonably needed to vest such rights of ownership in the State. The Contractor will retain ownership of all tools, methods, techniques, standards, and other development procedures, as well as generic and preexisting shells, subroutines, and similar material incorporated in any custom Deliverable (“Pre-existing Materials”) if the Contractor provides the non-exclusive license described in the next paragraph.

The Contractor may grant the State a worldwide, non-exclusive, royalty free, perpetual license to use, modify, sell, and otherwise distribute all Pre-existing Materials that are incorporated in any custom-developed Deliverable rather than grant the State ownership of the Pre-existing Materials provided however, that the State may distribute such Pre-existing materials to the extent required by governmental funding mandates. The Contractor will not include in any custom Deliverable any intellectual property unless such has been created under this Contract or qualifies as Pre-existing Material. If the Contractor wants to incorporate any Pre-existing Materials in a custom Deliverable, the Contractor must first disclose this and seek the State's approval for doing so in advance. On the request of the Contractor, the State will incorporate any proprietary notice the Contractor may reasonably want for any Pre-existing Materials included in a custom Deliverable in all copies the State makes of that Deliverable.

Subject to the limitations and obligations of the State with respect to Pre-existing Materials, the State may make all custom Deliverables available to the general public without any proprietary notices of any kind.

**LICENSE IN COMMERCIAL MATERIAL.** As used in this section, "Commercial Material" means anything that has been developed at private expense by the Contractor or a third party, commercially available in the marketplace, subject to intellectual property rights, and readily copied through duplication on magnetic media, paper, or other media. Examples include written reports, books, pictures, videos, movies, computer programs, and computer source code and documentation.

Any Commercial Material that the Contractor intends to deliver as a Deliverable must have the scope of the license granted in such material disclosed in the RFP or as an attachment referenced in the RFP, if that scope of license is different from the scope of license contained in this section for Commercial Materials.

Except for Commercial Material that is software (“Commercial Software”), if the Commercial Material is copyrighted and published material, then the State will have the rights permitted under the Federal copyright laws for each copy of the Commercial Material delivered to it by the Contractor.

Except for Commercial Software, if the Commercial Material is patented, then the State will have the rights permitted under the Federal patent laws for each copy of the Commercial Material delivered to it by the Contractor.

Except for Commercial Software, if the Commercial Material consists of trade secrets, then the State will treat the material as confidential. In this regard, the State will assume all obligations with respect to the Commercial Material that the Contractor assumes under the Confidentiality section of this Contract with respect to State secrets. Otherwise, the State will have the same rights and duties permitted under the Federal copyright laws for each copy of the Commercial Material delivered to it by the Contractor, whether or not the material is copyrighted when delivered to the State.

For Commercial Software, the State will have the rights in items (1) through (8) of this section with respect to the software. The State will not use any Commercial Software except as provided in items (1) through (8) of this section or as expressly stated otherwise in this Contract. The Commercial Software may be:

1. Used or copied for use in or with the computer or computers for which it was acquired, including use at any State installation to which such computer or computers may be transferred.
2. Used or copied for use in or with a backup computer for disaster recovery and disaster recovery testing purposes or if any computer for which it was acquired is inoperative.
3. Reproduced for safekeeping (archives) or backup purposes.
4. Modified, adapted, or combined with other computer software, but the modified, combined, or adapted portions of the derivative software incorporating any of the Commercial Software will be subject to same restrictions set forth in this Contract.
5. Disclosed to and reproduced for use on behalf of the State by support service contractors or their subcontractors, subject to the same restrictions set forth in this Contract.

6. Used or copied for use in or transferred to a replacement computer.

However:

7. If the Commercial Software delivered under this Contract is published and copyrighted, it is licensed to the State without disclosure prohibitions.

8. If any Commercial Software is delivered under this Contract with the copyright notice in 17 U.S.C. 401, it will be presumed to be published, copyrighted, and licensed to the State without disclosure restrictions, unless a statement substantially as follows accompanies such copyright notice: "Unpublished -- rights reserved under the copyright laws of the United States." The State will treat such Commercial Software as Confidential Information to the extent that such is actually the case.
ATTACHMENT THREE: GENERAL TERMS AND CONDITIONS
PART FOUR: REPRESENTATIONS, WARRANTIES, AND LIABILITIES

GENERAL WARRANTIES. The Contractor warrants that the recommendations, guidance, and performance of the Contractor under this Contract will: (1) Be in accordance with sound professional standards and the requirements of this Contract and without any material defects; (2) Unless otherwise provided in the RFP, be the work solely of the Contractor; and (3) No Deliverable will infringe on the intellectual property rights of any third party.

Additionally, with respect to the Contractor's activities under this Contract, the Contractor warrants that: (1) The Contractor has the right to enter into this Contract; (2) The Contractor has not entered into any other contracts or employment relationships that restrict the Contractor's ability to perform the contemplated services; (3) The Contractor will observe and abide by all applicable laws and regulations, including those of the State regarding conduct on any premises under the State's control; (4) The Contractor has good and marketable title to any goods delivered under this Contract and in which title passes to the State; (5) All hardware, software, firmware, and similar devices and materials provided under this Contract will be designed to operate without regard to the turning of a century and process dates in a manner that takes into account dates occurring before and after the turning of a century; and (6) The Contractor has the right and ability to grant the license granted in any Deliverable in which title does not pass to the State.

The warranty regarding material defects is a 1-year warranty. All other warranties will be continuing warranties. If any portion of the Project fails to comply with these warranties, and the Contractor is so notified in writing, the Contractor will correct such failure with all due speed or will refund the amount of the compensation paid for such portion of the Project. The Contractor will also indemnify the State for any direct damages and claims by third parties based on a breach of these warranties. This obligation of indemnification will not apply where the State has modified or misused the Deliverable and the claim is based on the modification or misuse. The State agrees to give the Contractor notice of any such claim as soon as reasonably practicable. If a successful claim of infringement is made, or if the Contractor reasonably believes that an infringement claim that is pending may actually succeed, the Contractor will do one (1) of the following four (4) things: (1) Modify the Deliverable so that it is no longer infringing; (2) Replace the Deliverable with an equivalent or better item; (3) Acquire the right for the State to use the infringing Deliverable as it was intended for the State to use under this Contract; or (4) Remove the Deliverable and refund the amount the State paid for the Deliverable and the amount of any other Deliverable or item that requires the availability of the infringing Deliverable for it to be useful to the State.

SOFTWARE WARRANTY. If this Contract involves software as a Deliverable, then, on acceptance and for 12 months after the date of acceptance of any Deliverable that includes software, the Contractor warrants as to all software developed under this Contract that: (a) the software will operate on the computer(s) for which the software is intended in the manner described in the relevant software documentation, the Contractor's Proposal, and the RFP; (b) the software will be free of any material defects; (c) the Contractor will deliver and maintain relevant and complete software documentation, commentary, and source code; and (d) the source code language used to code the software is readily available in the commercial market, widely used and accepted for the type of programming involved, and support programming in the language is reasonably available in the open market; and (e) the software and all maintenance will be provided in a professional, timely, and efficient manner.

For Commercial Software licensed from a third party that is incorporated in a Deliverable, the Contractor represents and warrants that it has done 1 of the following 3 things: (a) obtained the right from the third-party licensor to commit to the warranties and maintenance obligations in this Section; (b) obtained a binding commitment from the licensor to make those warranties and maintenance obligations directly to the State; or (c) fully disclosed in the RFP any discrepancies between the requirements of this section and the commitment the third-party licensor has made.

In addition, for Commercial Software that is incorporated in a Deliverable, the Contractor will: (a) maintain or cause the third-party licensor to maintain the Commercial Software so that it operates in the manner described in the RFP (or any attachment referenced in the RFP) and relevant Commercial Software documentation; (b) supply technical bulletins and updated user guides; (c) supply the State with updates, improvements, enhancements, and modifications to the Commercial Software and documentation and, if available, the commentary and the source code; (d) correct or replace the Commercial Software and/or remedy any material programming error that is attributable to the Contractor or the third-party licensee; (e) maintain or cause the third-party licensor to maintain the Commercial Software and documentation to reflect changes in the subject matter the Commercial Software deals with; (f) maintain or obtained a commitment from the third-party licensor to maintain the Commercial Software so that it will properly operate in conjunction with changes in the operating environment in which it is designed to operate.

For purposes of the warranties and the delivery requirements in this Contract, software documentation means well written, readily understood, clear, and concise instructions for the software’s users as well as a system administrator. The software documentation will provide the users of the software with meaningful instructions on how to take full advantage of all of the capabilities designed for end users. It also means installation and system administration documentation for a system administrator to allow proper control, configuration, and management of the software. Source code means the uncompiled operating instructions for the entire System. The Contractor will not be obligated to provide source code for Commercial Software unless it is readily available from the licensor. The source code will be provided in the language in which it was
written and will include commentary that will allow a competent programmer proficient in the source language to readily interpret the source code and understand the purpose of all routines and subroutines contained within the source code.

**EQUIPMENT WARRANTY.** If any electrical equipment, mechanical device, computer hardware, telecommunications hardware, or other type of physical machinery ("Equipment") will be a part of any Deliverable, the following warranties apply. The Contractor warrants that the Equipment fully complies with all government environmental and safety standards applicable to the Equipment. The Contractor also warrants for 1 year from the acceptance date of the Equipment that the Equipment will perform substantially in accordance with specifications described in the RFP, the user manuals, technical materials, and related writings published by the manufacturer for the Equipment. The foregoing warranties will not apply to Equipment that is modified or damaged after title passes to the State.

The Contractor will notify the State in writing immediately upon the discovery of any breach of the warranties given above.

The Contractor's will do the following if any Equipment does not meet the above warranties:

1. Cause the Equipment to perform as required, or, if that is not commercially practicable, then;
2. Grant the State a refund equal to the amount the State paid for the Equipment or, if such has not been individually priced, the manufacturer's suggested retail price for the Equipment.

Except where the Contractor's breach of a warranty makes it not possible for the State to do so, the State will return the affected Equipment to the Contractor in the case of a refund under the previous paragraph.

**GENERAL EXCLUSION OF WARRANTIES.** The State makes no warranties, express or implied, other than those express warranties contained in this contract. The contractor also makes no warranties of merchantability or fitness for a particular purpose except as follows: If the Contractor has been engaged under the scope of work in the RFP to design something to meet a particular need for the State, then the Contractor does warrant that the contractor's work will meet the stated purpose for that work.

**INDEMNITY.** The Contractor will indemnify the State for any and all claims, damages, law suits, costs, judgments, expenses, and any other liabilities resulting from bodily injury to any person (including injury resulting in death) or damage to property that may arise out of or are related to Contractor's performance under this Contract, providing such bodily injury or property damage is due to the negligence of the Contractor, its employees, agents, or subcontractors.

The Contractor will also indemnify the State against any claim of infringement of a copyright, patent, trade secret, or similar intellectual property rights based on the State’s proper use of any Deliverable under this Contract. This obligation of indemnification will not apply where the State has modified or misused the Deliverable and the claim of infringement, is based on the modification or misuse. The State agrees to give the Contractor notice of any such claim as soon as reasonably practicable and to give the Contractor the authority to settle or otherwise defend any such claim upon consultation with and approval by the Office of the State Attorney General. If a successful claim of infringement is made, or if the Contractor reasonably believes that an infringement claim that is pending may actually succeed, the Contractor will take one (1) of the following four (4) actions:

1. Modify the Deliverable so that is no longer infringing.
2. Replace the Deliverable with an equivalent or better item.
3. Acquire the right for the State to use the infringing Deliverable as it was intended for the State to use under this Contract.
4. Remove the Deliverable and refund the fee the State paid for the Deliverable and the fee for any other Deliverable that required the availability of the infringing Deliverable for it to be useful to the State.

**LIMITATION OF LIABILITY.** Notwithstanding any limitation provisions contained in the documents and materials incorporated by reference into this contract, the parties agree as follows:

1. Neither party will be liable for any indirect, incidental or consequential loss or damage of any kind including but not limited to lost profits, even if the parties have been advised, knew, or should have known of the possibility of damages.
2. The contractor further agrees that the contractor shall be liable for all direct damages due to the fault or negligence of the contractor.
STANDARDS OF PERFORMANCE AND ACCEPTANCE. If the RFP does not provide otherwise, the acceptance procedure will be an informal review by the Agency Project Representative to ensure that each Deliverable and the Project as a whole comply with the requirements of this Contract. The Agency Project Representative will have up to 30 calendar days to do this. No formal letter of acceptance will be issued, and passage of the 30 calendar days will imply acceptance, though the State will issue a notice of noncompliance if a Deliverable or the Project as a whole does not meet the requirements of this Contract. If the Agency Project Representative issues a letter of noncompliance, then the Contractor will have 30 calendar days to correct the problems listed in the noncompliance letter. If the Contractor fails to do so, the Contractor will be in default without a cure period. If the Agency Project Representative has issued a noncompliance letter, the Deliverables or the Project as a whole will not be accepted until the Agency Project Representative issues a letter of acceptance indicating that each problem noted in the noncompliance letter has been cured. If the problems have been fixed during the 30 day period, the Agency Project Representative will issue the acceptance letter within 15 calendar days.

If the Project fails to meet the standard of performance after 90 calendar days from the start of the performance period, the Contractor will be in default and will not have a cure period. In addition to all other remedies the State may have under this Contract, the State will have the right to request correction or replacement of the relevant portion of the Project.
ATTACHMENT THREE: GENERAL TERMS AND CONDITIONS
PART SIX: CONSTRUCTION

ENTIRE DOCUMENT. This Contract is the entire agreement between the parties with respect to the subject matter and supersedes any previous statements or agreements, whether oral or written.

BINDING EFFECT. This Contract will be binding upon and inure to the benefit of the respective successors and assigns of the State and the Contractor.

AMENDMENTS – WAIVER. No change to any provision of this Contract will be effective unless it is in writing and signed by both parties. The failure of either party at any time to demand strict performance by the other party of any of the terms of this Contract will not be a waiver of those terms. Waivers must be in writing to be effective. Either party may at any later time demand strict performance.

SEVERABILITY. If any provision of this Contract is held by a court of competent jurisdiction to be contrary to law, the remaining provisions of this Contract will remain in full force and effect to the extent that such does not create an absurdity.

CONSTRUCTION. This Contract will be construed in accordance with the plain meaning of its language and neither for nor against the drafting party.

HEADINGS. The headings used herein are for the sole sake of convenience and will not be used to interpret any section.

NOTICES. For any notice under this Contract to be effective it must be made in writing and sent to the address of the appropriate contact provided elsewhere in the Contract, unless such party has notified the other party, in accordance with the provisions of this section, of a new mailing address. This notice requirement will not apply to any notices that this Contract expressly authorized to be made orally.

CONTINUING OBLIGATIONS. The terms of this Contract will survive the termination or expiration of the time for completion of Project and the time for meeting any final payment of compensation, except where such creates an absurdity.
ATTACHMENT THREE: GENERAL TERMS AND CONDITIONS
PART SEVEN: LAW & COURTS

COMPLIANCE WITH LAW. The Contractor agrees to comply with all applicable federal, state, and local laws in the conduct of the Work.

DRUG-FREE WORKPLACE. The Contractor will comply with all applicable state and Federal laws regarding keeping a drug-free workplace. The Contractor will make a good faith effort to ensure that all the Contractor employees, while working on state property, will not have or be under the influence of illegal drugs or alcohol or abuse prescription drugs in any way.

CONFLICTS OF INTEREST. No Personnel of the Contractor may voluntarily acquire any personal interest that conflicts with their responsibilities under this Contract. Additionally, the Contractor will not knowingly permit any public official or public employee who has any responsibilities related to this Contract or the Project to acquire an interest in anything or any entity under the Contractor’s control if such an interest would conflict with that official’s or employee’s duties. The Contractor will disclose to the State knowledge of any such person who acquires an incompatible or conflicting personal interest related to this Contract. The Contractor will take steps to ensure that such a person does not participate in any action affecting the work under this Contract. This will not apply when the State has determined, in light of the personal interest disclosed, that person’s participation in any such action would not be contrary to the public interest.

OHIO ETHICS AND ELECTIONS LAW.

1. Ethics Law

   All Contractors who are actively doing business with the State of Ohio or who are seeking to do business with the State of Ohio are responsible to review and comply with all relevant provisions of O.R.C. Sections 102.01 to 102.09. Contractor certifies that it is currently in compliance and will continue to adhere to the requirements of Ohio ethics laws.

2. Political Contributions

   The Contractor affirms in its cover letter that, as applicable to the Contractor, all personal and business associates are in compliance with Chapter 3517 of the Revised Code regarding limitations on political contributions and will remain in compliance for the duration of the Contract and with all applicable provisions that extend beyond the expiration of the Contract.

EQUAL EMPLOYMENT OPPORTUNITY. The Contractor will comply with all state and federal laws regarding equal employment opportunity, including O.R.C. Section 125.111 and all related Executive Orders.

Before a contract can be awarded or renewed, an Affirmative Action Program Verification Form must be completed using the Ohio Business Gateway Electronic Filing website http://gateway.ohio.gov. Contractor must verify compliance on an annual basis for the duration of any contract. Approved Affirmative Action Plans can be found by going to the Equal Opportunity Division’s web site: https://eodreporting.oit.ohio.gov/affirmative-action.

INJUNCTIVE RELIEF. Nothing in this Contract is intended to limit the State's right to injunctive relief if such is necessary to protect its interests or to keep it whole.

ASSIGNMENT. The Contractor may not assign this Contract or any of its rights or obligations under this Contract without the prior, written consent of the State.

GOVERNING LAW. This Contract will be governed by the laws of Ohio, and venue for any disputes will lie exclusively with the appropriate court in Franklin County, Ohio.

ORC 9.76(B). Pursuant to Ohio Revised Code 9.76 (B) Contractor warrants that Contractor is not boycotting any jurisdiction with whom the State of Ohio can enjoy open trade, including Israel, and will not do so during the contract period.
ATTACHMENT FOUR

CONTRACT

This Contract, which results from RFP CSP901820, entitled Statewide Financial Management Services For The Department of Developmental Disabilities’ Programs is between the State of Ohio, through the Department of Administrative Services, Office of Procurement Services, on behalf of the Ohio Department of Developmental Disabilities (the “State”) and

__________________________

(the "Contractor").

If this RFP results in a contract award, the Contract will consist of this RFP including all attachments, written addenda to this RFP, the Contractor's proposal, and written, authorized addenda to the Contractor's proposal. It will also include any materials incorporated by reference in the above documents and any purchase orders and change orders issued under the Contract. The form of the Contract is this one (1) page attachment to the RFP, which incorporates by reference all the documents identified above. The general terms and conditions for the Contract are contained in another attachment to the RFP. If there are conflicting provisions between the documents that make up the Contract, the order of precedence for the documents is as follows:

1. This RFP, as amended;
2. The documents and materials incorporated by reference in the RFP;
3. The Contractor's Proposal, as amended, clarified, and accepted by the State; and
4. The documents and materials incorporated by reference in the Contractor's Proposal.

Notwithstanding the order listed above, change orders and amendments issued after the Contract is executed may expressly change the provisions of the Contract. If they do so expressly, then the most recent of them will take precedence over anything else that is part of the Contract.

This Contract has an effective date of the later of July 1, 2019 or the occurrence of all conditions precedent specified in the General Terms and Conditions.

IN WITNESS WHEREOF, the parties have executed this Contract as of the dates below.

________________________________________

Department of Administrative Services

(Contractor)  (State of Ohio Agency)

________________________________________

(Signature)

(Signature)

________________________________________

(Matthew M. Damschroder)

(Printed Name)

(Printed Name)

________________________________________

(Title)

(Title)

________________________________________

(Date)

(Date)
## ATTACHMENT FIVE A
### OFFEROR PROFILE FORM

<table>
<thead>
<tr>
<th>Offeror’s Legal Name:</th>
<th>Address:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Phone Number:</th>
<th>Fax Number:</th>
<th>E-mail Address:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Home Office Location:</th>
<th>Date Established:</th>
<th>Ownership:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Firm Leadership:</th>
<th>Number of Employees:</th>
<th>Number of Employees Directly involved in Tasks Directly Related to the Work:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Additional Background Information:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
</tbody>
</table>
The Offeror must document previous experience and expertise in providing a minimum of three (3) previous projects working, similar in size and complexity, in the previous five (5) years. These projects must be of similar size, scope and nature. Details of the similarities must be included. In addition, the Offeror provides evidence of experience with fiscal management services for persons with developmental disabilities and federally and/or state-funded programs. Attachment Five B, C, and D must be filled out completely for each of the three (3) projects provided. The Offeror must use these forms and fill them out completely to provide the Offeror requirement information. Failure to recreate the form accurately to include all fields, may lead to the rejection of the Offeror’s Proposal.
The Offeror must document previous experience and expertise in providing a minimum of three (3) previous projects working, similar in size and complexity, in the previous five (5) years. These projects must be of similar size, scope and nature. Details of the similarities must be included. In addition, the Offeror provides evidence of experience with fiscal management services for persons with developmental disabilities and federally and/or state-funded programs. Attachment Five B, C, and D must be filled out completely for each of the three (3) projects provided. The Offeror must use these forms and fill them out completely to provide the Offeror requirement information. Failure to recreate the form accurately to include all fields, may lead to the rejection of the Offeror’s Proposal.
ATTACHMENT FIVE D
OFFEROR PRIOR PROJECT FORM

<table>
<thead>
<tr>
<th>Customer Company Name:</th>
<th>Contact:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Address:</th>
<th>Phone Number:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>E-mail:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Project Name:</th>
<th>Beginning Date of Project (Month/Year):</th>
<th>Ending Date of Project (Month/Year):</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The Offeror must document previous experience and expertise in providing a minimum of three (3) previous projects working, similar in size and complexity, in the previous five (5) years. These projects must be of similar size, scope and nature. Details of the similarities must be included. In addition, the Offeror provides evidence of experience with fiscal management services for persons with developmental disabilities and federally and/or state-funded programs. Attachment Five B, C, and D must be filled out completely for each of the three (3) projects provided. The Offeror must use these forms and fill them out completely to provide the Offeror requirement information. Failure to recreate the form accurately to include all fields, may lead to the rejection of the Offeror’s Proposal.
Three (3) professional references who have received services from the Offeror in the past five (5) years

<table>
<thead>
<tr>
<th>Company Name:</th>
<th>Contact Name:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address:</td>
<td>Phone Number:</td>
</tr>
<tr>
<td></td>
<td>E-Mail Address:</td>
</tr>
<tr>
<td>Project Name:</td>
<td>Beginning Date of Project: (Month/Year)</td>
</tr>
</tbody>
</table>

Description of project size, complexity and the Offeror’s role in this project.

<table>
<thead>
<tr>
<th>Company Name:</th>
<th>Contact Name:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address:</td>
<td>Phone Number:</td>
</tr>
<tr>
<td></td>
<td>E-Mail Address:</td>
</tr>
<tr>
<td>Project Name:</td>
<td>Beginning Date of Project: (Month/Year)</td>
</tr>
</tbody>
</table>

Description of project size, complexity and the Offeror’s role in this project.

<table>
<thead>
<tr>
<th>Company Name:</th>
<th>Contact Name:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address:</td>
<td>Phone Number:</td>
</tr>
<tr>
<td></td>
<td>E-Mail Address:</td>
</tr>
<tr>
<td>Project Name:</td>
<td>Beginning Date of Project: (Month/Year)</td>
</tr>
</tbody>
</table>

Description of project size, complexity and the Offeror’s role in this project.
ATTACHMENT SEVEN A
OFFEROR’S CANDIDATE REFERENCES

Candidate’s Name: ____________________________________________

Candidate’s Proposed Position: __________________________________

Three (3) professional references who have received services from the candidate in the past three (3) years

<table>
<thead>
<tr>
<th>Company Name:</th>
<th>Contact Name:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address:</td>
<td>Phone Number:</td>
</tr>
<tr>
<td></td>
<td>E-mail:</td>
</tr>
<tr>
<td>Project Name:</td>
<td>Beginning Date of Project:</td>
</tr>
<tr>
<td></td>
<td>Ending Date of Project:</td>
</tr>
</tbody>
</table>

Description of project size, complexity, and the candidate’s role in this project.

<table>
<thead>
<tr>
<th>Company Name:</th>
<th>Contact Name:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address:</td>
<td>Phone Number:</td>
</tr>
<tr>
<td></td>
<td>E-mail:</td>
</tr>
<tr>
<td>Project Name:</td>
<td>Beginning Date of Project:</td>
</tr>
<tr>
<td></td>
<td>Ending Date of Project:</td>
</tr>
</tbody>
</table>

Description of project size, complexity, and the candidate’s role in this project.

<table>
<thead>
<tr>
<th>Company Name:</th>
<th>Contact Name:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address:</td>
<td>Phone Number:</td>
</tr>
<tr>
<td></td>
<td>E-mail:</td>
</tr>
<tr>
<td>Project Name:</td>
<td>Beginning Date of Project:</td>
</tr>
<tr>
<td></td>
<td>Ending Date of Project:</td>
</tr>
</tbody>
</table>

Description of project size, complexity, and the candidate’s role in this project.
Candidate’s Name: ___________________________________________________________

Education and Training: This section must be completed to list the education and training of the proposed candidate.

<table>
<thead>
<tr>
<th>Name and Address</th>
<th>Months/Years</th>
<th>Degree/Major</th>
</tr>
</thead>
<tbody>
<tr>
<td>College</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Technical School</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Licenses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Certifications</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## ATTACHMENT SEVEN C
### OFFEROR’S CANDIDATE EXPERIENCE REQUIREMENT

**Candidate’s Name:**

**Candidate’s Proposed Position:**

<table>
<thead>
<tr>
<th>Client Company Name:</th>
<th>Client’s Project Supervisor Contact Name:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address:</td>
<td>Phone Number:</td>
</tr>
<tr>
<td></td>
<td>E-Mail:</td>
</tr>
<tr>
<td>Project Name:</td>
<td>Beginning Date of Project:</td>
</tr>
<tr>
<td></td>
<td>Month/Year</td>
</tr>
<tr>
<td></td>
<td>Ending Date of Project:</td>
</tr>
<tr>
<td></td>
<td>Month/Year</td>
</tr>
</tbody>
</table>

**Description of the related services provided:**

<table>
<thead>
<tr>
<th>Client Company Name:</th>
<th>Client’s Project Supervisor Contact Name:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address:</td>
<td>Phone Number:</td>
</tr>
<tr>
<td></td>
<td>E-Mail:</td>
</tr>
<tr>
<td>Project Name:</td>
<td>Beginning Date of Project:</td>
</tr>
<tr>
<td></td>
<td>Month/Year</td>
</tr>
<tr>
<td></td>
<td>Ending Date of Project:</td>
</tr>
<tr>
<td></td>
<td>Month/Year</td>
</tr>
</tbody>
</table>

**Description of the related services provided:**

<table>
<thead>
<tr>
<th>Client Company Name:</th>
<th>Client’s Project Supervisor Contact Name:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address:</td>
<td>Phone Number:</td>
</tr>
<tr>
<td></td>
<td>E-Mail:</td>
</tr>
<tr>
<td>Project Name:</td>
<td>Beginning Date of Project:</td>
</tr>
<tr>
<td></td>
<td>Month/Year</td>
</tr>
<tr>
<td></td>
<td>Ending Date of Project:</td>
</tr>
<tr>
<td></td>
<td>Month/Year</td>
</tr>
</tbody>
</table>

**Description of the related services provided:**
ATTACHMENT EIGHT
OFFEROR PERFORMANCE FORM

The Offeror must provide the following information for this section for the past seven (7) years. Please indicate yes or no in each column.

<table>
<thead>
<tr>
<th>Yes/No</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>The Offeror has had a contract terminated for default or cause. If so, the Offeror must submit full details, including the other party's name, address, and telephone number.</td>
</tr>
<tr>
<td></td>
<td>The Offeror has been assessed any penalties in excess of five thousand dollars ($5,000), including liquidated damages, under any of its existing or past contracts with any organization (including any governmental entity). If so, the Offeror must provide complete details, including the name of the other organization, the reason for the penalty, and the penalty amount for each incident.</td>
</tr>
<tr>
<td></td>
<td>The Offeror was the subject of any governmental action limiting the right of the Offeror to do business with that entity or any other governmental entity.</td>
</tr>
<tr>
<td></td>
<td>Has trading in the stock of the company ever been suspended? If so provide the date(s) and explanation(s).</td>
</tr>
<tr>
<td></td>
<td>The Offeror, any officer of the Offeror, or any owner of a twenty percent (20%) interest or greater in the Offeror has filed for bankruptcy, reorganization, a debt arrangement, moratorium, or any proceeding under any bankruptcy or insolvency law, or any dissolution or liquidation proceeding.</td>
</tr>
<tr>
<td></td>
<td>The Offeror, any officer of the Offeror, or any owner with a twenty percent (20%) interest or greater in the Offeror has been convicted of a felony or is currently under indictment on any felony charge.</td>
</tr>
</tbody>
</table>

If the answer to any item above is affirmative, the Offeror must provide complete details about the matter. While an affirmative answer to any of these items will not automatically disqualify an Offeror from consideration, at the sole discretion of the State, such an answer and a review of the background details may result in a rejection of the Offeror’s proposal. The State will make this decision based on its determination of the seriousness of the matter, the matter's possible impact on the Offeror's performance on the project, and the best interests of the State.
ATTACHMENT NINE
COST SUMMARY FORM

Statewide Financial Management Services For The Department of Development Disabilities’ Programs
CSP901820

UNSPSC CATEGORY CODE: 84110000, 93150000

Offerors are to complete this form fully according to the directions given. Offerors must use the estimated monthly program
volume to submit their cost proposal. Estimated usage is not guaranteed, but merely an estimate of what the Agency uses
monthly. The costs that are submitted must be by deliverable. Rates are firm-fixed.

In addition, the Offeror must give a breakdown on a separate sheet of paper on how the Offeror arrived at the fees.

Offeror Name: 

<table>
<thead>
<tr>
<th>DESCRIPTION OF SERVICE</th>
<th>ESTIMATED MONTHLY VOLUME</th>
<th>OFFEROR’S MONTHLY RATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monthly Fee for Check Writing</td>
<td>200 checks</td>
<td>$</td>
</tr>
<tr>
<td>Monthly PMPM Rate for Common Law Employer Option</td>
<td>15 members</td>
<td>$</td>
</tr>
<tr>
<td>Monthly PMPM Rate for Co-Employer Option</td>
<td>250 members</td>
<td>$</td>
</tr>
</tbody>
</table>

All work done under the Contract to be awarded as a result of CSP901820 will be paid according to the rates/fee payment
structure. No other compensation for the selected Contractor’s services will be permitted. All applicable withholdings (federal,
state, local income taxes, Workers’ Compensation and Unemployment taxes) are included in the Offeror’s Rate above and not
billed separately to the Agency via invoicing.

The Contractor may submit invoices for monthly PMPM (Per Member Per Month) rates based on the actual number of
program individuals assigned to the Contractor for services in a given month, multiplied by the specific rate for the program (or
programs) in which the individuals are enrolled. The projections made in the RFP are estimates only, based on best
information available to the Agency at this writing, and are not to be taken as a guarantee of actual reimbursements that will be
realized by the Contractor.

All costs must be in U.S. Dollars.
The State will not be responsible for any costs not identified.
There will be no additional reimbursement for travel or other related expenses.

All Offerors who seek to be considered for a contract award must submit the above information in the format specified. The
Original Cost Summary must be included in a separate, sealed envelope/package labeled on the exterior as “Cost Proposal”
with the RFP number and due date.
SUPPLEMENT ONE
FMS INVOICE PROCESS FOR INDIVIDUAL OPTIONS, LEVEL ONE, AND SELF WAIVERS

The Contractor will submit an invoice and supporting documentation for administrative fees once per month at an agreed upon date. The Agency will review the invoice and documentation for accuracy and completeness prior to payment in accordance with the net thirty (30) days State guidelines.

The Department of Developmental Disabilities will provide the Contractor with information called the Spending Plan, the Recipient Information, and the Provider information. The Spending Plan will serve as the mechanism by which the Contractor will receive individual’s approved services in detail from the DODD cost projection and authorization system that will reflect provider, and service information reflected in the individual's Individual Service Plan (ISP). The fields that comprise the content of the Spending Plan will be agreed upon by both parties prior to program implementation. The Department of Developmental Disabilities will provide the Spending Plan to the Contractor through a secure method agreed upon by both parties in the specified format. The Spending Plan, Recipient Information, and Provider Information will guide the Contractor’s determinations on payment to employees and vendors. Service plan adjustments will be communicated through updates made to the Spending Plan and Recipient Information which may be in the form of increases or decreases. The Contractor will be responsible for any payments that were not communicated on the Spending Plan.

Employee payroll for the individual’s workers of the applicable services processed by the FMS vendor will be made twice monthly on the 15th and last day on the month. The Agency and the Contractor will agree on the last day that timesheets will be submitted for inclusion in the payment for the service days of the 1st through 15th and the 16th through the end of the month. After the Contractor has paid service providers and vendors for goods and services rendered, the Contractor will submit claims to the Agency’s Medicaid Billing System in the format prescribed by the Agency. The Agency will reimburse claims submitted by the Contractor once they have been processed through the Agency’s Medicaid Billing System and adjudicated through the Medicaid Information Technology System.
THIS AGREEMENT is entered into this ____ day of ____________, _____, by and between [Name of Business Associate] (referred to as "Business Associate") and the Ohio Department of Developmental Disabilities (referred to as "Agency"), for length of underlying agreement.

WHEREAS, Agency will make available and/or transfer to Business Associate confidential, personally identifiable health information in conjunction with the performance of the Financial Management Service Provider on behalf of the Agency.

WHEREAS, such information may be used or disclosed only in accordance with the privacy and security regulations [45 CFR Parts 160, 164] issued pursuant to the Health Insurance Portability and Accountability Act [42 USC §§ 1320 - 1320d-8], as amended, and the terms of this Agreement, or more stringent provisions of the law of the State of Ohio;

NOW THEREFORE, the parties agree as follows:

1. Definitions.

1.1. Protected Health Information ("PHI") means individually identifiable information relating to the past, present or future physical or mental health or condition of an individual, provision of health care to an individual, or the past, present or future payment for health care provided to an individual, as more fully defined in 45 CFR §§ 160.103 and 164.514, and any amendments thereto, created, received, maintained, or transmitted from or on behalf of the Agency.

1.2. Unsecured PHI is PHI that is not rendered unusable, unreadable or indecipherable to unauthorized individuals through the use of a technology or methodology specified by the Secretary of the U.S. Department of Health and Human Services.

1.3. Business Associate shall have the meaning given to such term in 45 CFR § 160.103.

1.4. Individual means the person who is the subject of the PHI, as defined in 45 CFR § 160.103, and includes the person’s personal representative.

1.5. Privacy Rule means the Standards for Privacy of Individually Identifiable Health Information found at 45 CFR Parts 160 and Part 164, Subparts A and E, and any amendments thereto.

2. Permitted Use. The Business Associate agrees that it shall not receive, create, use or disclose PHI except as follows:

2.1. Covered Functions. The performance of the duties outlined in the Financial Management Service contract as outlined in the CSP901820 Contract agreement and RFP.

2.2. Disclosure Restrictions. If necessary for the proper management and administration of the Business Associate or to carry out legal responsibilities of the Business Associate. PHI may only be disclosed to another person/entity for such purposes if:

   2.2.1. Disclosure is required by law; or

   2.2.2. Where the Business Associate obtains reasonable assurances from the person to whom disclosure is made that the PHI released will be held confidentially and only may be used or further disclosed as required by law or for the purposes of the disclosure; and person/entity agrees to notify Business Associate of any breaches of confidentiality in a timely fashion and in writing. Documentation needs to follow the same standards and time frames as item 6 below.

2.3. Data Aggregation. To permit the Business Associate to provide data aggregation services relating to the health care operations of Agency as defined in 45 CFR § 164.501. Aggregation is defined as combining PHI received from multiple Business Associates to produce data analysis that relates to the operation of the respective Covered Entities.

3. Minimize Use of PHI. The Business Associate agrees that it will not request, use or release more than the minimum necessary amount of PHI to accomplish the purpose of the use, disclosure or request.

4. Business Associate Safeguards. The Associate will use appropriate safeguards to prevent any unauthorized use or disclosure of PHI and shall implement the administrative, physical and technical safeguards that reasonably protect the confidentiality, integrity and availability of the PHI that it creates, receives, maintains or transmits on behalf of the Agency. The Associate will use the security controls within NIST Special Publication 800-53 Rev. 4 that align with the appropriate safeguards under 45 CFR 164 Subpart C including those identified as addressable. The Associate will comply with 74 FR 19006 Guidance Specifying the Technologies and Methodologies That Render PHI Unusable, Unreadable, or Indecipherable to Unauthorized Individuals for Purposes of the Breach Notification Requirements under Section 13402 of Title XIII. With regard to electronic PHI not covered by the Guidance published at 74 FR 19006, the Associate will protect

5.1. Incident Reporting.

5.1.1. Business Associate shall report to Covered Entity the following:

5.1.1.1. Any use or disclosure of PHI which is not in compliance with the terms of this Agreement or applicable law of which it becomes aware; and

5.1.1.2. Any security incident of which it becomes aware. For purposes of this Agreement, "security incident" means the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations in an information system.

5.1.2. Within 24 hours of discovery of a suspected reportable incident as described in 6.1.1 above, Business Associate shall notify Covered Entity of the existence and nature of the incident as understood at that time. Business Associate shall immediately investigate the incident and within 72 hours of discovery shall provide Covered Entity, in writing, a report describing the results of Business Associate’s investigation, including:

5.1.2.1. What data elements were involved, the extent of the data involved in the incident, and the identification of affected individuals, if applicable;

5.1.2.2. A description of the unauthorized persons known or reasonably believed to have improperly used or disclosed PHI, or to have been responsible for the incident;

5.1.2.3. A description of where the PHI is believed to have been improperly transmitted, sent, or utilized, if applicable;

5.1.2.4. A description of the probable causes of the incident;

5.1.2.5. A description of the proposed plan for preventing similar future incidents, including ongoing risk remediation plan approval; and

5.1.2.6. Whether the Associate believes any federal or state laws requiring notifications to individuals are triggered.

5.1.3. Reporting and other communications made to the Covered Entity under this section must be made to the agency’s HIPAA privacy officer at:

Brad Singer, DODD Office of Legal and Oversight
(614) 466-5216
Bradley.singer@dodd.ohio.gov
30 East Broad Street, 12th Floor
Columbus, Ohio 43215

5.2. Business Associate Mitigation. In addition, Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of PHI by Business Associate in violation of the requirements of this Agreement and report its mitigation activity back to the agency. Business Associate shall preserve evidence.

5.3. Coordination. Business Associate will coordinate with the agency to determine additional, specific actions that will be required of the Business Associate for mitigation of the Breach, which may include notification to the individuals, entities or other authorities. Notifications, if any, will be made at the direction of the agency.

5.4. Incident costs. Business Associate shall bear all costs associated with the incident. This may include, but not be limited to, costs associated with notifying affected individuals. It also may include the cost of investigation, remediation, and assistance to individuals including services such as a standard level of identity-theft protection service that includes credit-monitoring such as AllClear ID’s standard service with credit monitoring or other comparable service available to Ohio agencies under state term schedules.

6. Subcontractor Obligations. Business Associate shall ensure that all of its subcontractors and agents are bound, in writing, by the same restrictions and obligations contained herein, including but not limited to the obligation to implement reasonable and appropriate safeguards to protect the information, whenever the subcontractor or agent creates, receives, maintains, or transmits PHI on behalf of the Business Associate. The Business Associate shall obtain Agency approval prior to entering into such agreements.

7. Access to PHI. Business Associate shall make all PHI and related information maintained by Business Associate or its agents or subcontractors available as soon as practicable following a request for PHI, but within fifteen (15) days, to the extent necessary to fulfill the following obligations:
14. Ambiguities, Strict Performance and Priorities. Any ambiguities in this Agreement shall be resolved in favor of an interpretation that promotes compliance with HIPAA and regulations promulgated thereunder. Any conflicts in the security and privacy terms and conditions of this agreement with those in the underlying agreement shall be interpreted to favor of the terms and conditions that promote greater degree of security and privacy. The parties agree that any modifications to those laws shall modify the obligations of the parties hereunder without the need for formal amendment of the Agreement. Any other amendments to this Agreement shall not be effective without the written agreement of both parties. This Agreement will be construed in accordance with the plain meaning of its language and neither for nor against the drafting party. The headings in this Agreement are for convenience only and will not affect the interpretation of any of the Agreement terms and conditions. If at any time either party fails to demand strict performance by the other party of any of the terms of this Agreement, such failure will not be construed as a waiver of any such term, and either party may at any time demand strict and complete performance by the other party.

7.1. Inspection and Copying. Make the PHI maintained by Associate or its agents or subcontractors in Designated Record Sets available to Agency for inspection and copying to enable Agency to fulfill its obligations under the Privacy Rule, including, but not limited to, 45 CFR § 164.524.

7.2. Accounting. To account for disclosures of PHI in accordance with the provisions of the Privacy Rule, including, but not limited to 45 CFR § 164.528; and shall make all PHI in its possession available to Agency as soon as practicable following a request for PHI, but within fifteen (15) days, to fulfill Agency’s obligation to amend PHI and related information in accordance with 45 CFR § 164.526, and shall, as directed by Agency, incorporate any amendments or related statements into the information held by the Business Associate and any subcontractors or agents.

8. Compliance and HHS Access. The Business Associate shall make available to the agency and to the Secretary of the U.S. Department of Health and Human Services any and all internal practices, documentation, books, and records related to the use and disclosure of PHI received from the agency, or created, received, maintained, or transmitted by the Business Associate on behalf of the agency. Such access is for the purpose of determining the agency’s compliance with HIPAA, regulations promulgated by the United States Department of Health and Human Services, and any amendment thereto. Any non-compliance by the Business Associate with the terms of this Agreement or the privacy and security regulations shall be a breach of this Agreement if the Business Associate knew of the breach and failed to take immediate and reasonable steps to cure the non-compliance. The Business Associate agrees that Agency has the right to immediately terminate this Agreement and seek relief, if Agency determines that the Business Associate has violated a material term of the Agreement.

9. Ownership and Destruction of Information. The PHI and any related information created, received, maintained, or transmitted from or on behalf of Agency is and shall remain the property of the Agency. The Business Associate agrees that it acquires no title in or rights to the information, including any de-identified information. Upon termination of this Agreement, Business Associate agrees, at the option of Agency, to return or securely destroy all PHI created or received from or on behalf of Agency following 74 FR 19006 Guidance Specifying the Technologies and Methodologies That Render PHI Unusable, Unreadable, or Indecipherable to Unauthorized Individuals for Purposes of the Breach Notification Requirements under Section 13402 of Title XIII. The Business Associate agrees that it will not retain any copies of PHI except as required by law. If PHI is destroyed, the Business Associate agrees to provide Agency with appropriate documentation or certification evidencing such destruction upon request. If return or destruction of all PHI and all copies of PHI is not feasible, the Business Associate agrees to extend the protections of this Agreement to such information for as long as it is maintained and to limit further uses and disclosures to those which make return or destruction infeasible. Termination of this Agreement shall not affect any of its provisions that, by wording or nature, are intended to remain effective and to continue in operation.

10. Termination. Notwithstanding any term or condition in the underlying agreement, the State may terminate the underlying agreement if at any time it determines that the Associate has violated a material term of this Business Associate Agreement. In the alternative, the State may, at its sole discretion, take any action provided in the underlying agreement, may suspend the Agreement, or may allow Associate a reasonable period of time to cure before termination, when such action is determined to be in the State’s best interest. Upon suspension of the agreement, the State may, at its sole discretion, require the Associate to comply with the requirements of the above Ownership and Destruction of Information paragraph, in the same manner as though the agreement had been terminated. This paragraph shall in no way alter, amend, limit or change the terms and conditions in the underlying agreement as they relate to performance of the underlying agreement, and shall solely relate to violation of the terms of the Business Associate Agreement.

11. Survivorship. The obligations to safeguard the confidentiality, privacy and security of PHI imposed herein shall survive the termination of this Agreement.

12. Injunctive Relief. Notwithstanding any rights or remedies under this Agreement or provided by law, Agency retains all rights to seek injunctive relief to prevent or stop the unauthorized use or disclosure of PHI by the Business Associate, any of its subcontractors or agents, or any third party who has received PHI from the Business Associate.

13. Binding Effect. Subject to the limitations on assignment provided elsewhere in this Agreement, the Agreement shall be binding on the parties and their successors, but neither party may assign the Agreement without the prior written consent of the other, which consent shall not be unreasonably withheld. This Agreement will be binding upon and inure to the benefit of the respective successors and assigns of the State and the Business Associate.

14. Ambiguities, Strict Performance and Priorities. Any ambiguities in this Agreement shall be resolved in favor of an interpretation that promotes compliance with HIPAA and regulations promulgated thereunder. Any conflicts in the security and privacy terms and conditions of this agreement with those in the underlying agreement shall be interpreted to favor of the terms and conditions that promote greater degree of security and privacy. The parties agree that any modifications to those laws shall modify the obligations of the parties hereunder without the need for formal amendment of the Agreement. Any other amendments to this Agreement shall not be effective without the written agreement of both parties. This Agreement will be construed in accordance with the plain meaning of its language and neither for nor against the drafting party. The headings in this Agreement are for convenience only and will not affect the interpretation of any of the Agreement terms and conditions. If at any time either party fails to demand strict performance by the other party of any of the terms of this Agreement, such failure will not be construed as a waiver of any such term, and either party may at any time demand strict and complete performance by the other party.
15. **Notice.** For any notice under this Agreement to be effective the notice must be made in writing and sent to the address of the appropriate contact provided in the Agreement.

16. Notwithstanding section 6 of this Agreement, any notice to the other party pursuant to this Agreement shall be deemed provided if sent by first class United States mail, postage prepaid, as follows:

To Agency:

Ohio Department of Developmental Disabilities  
Division of Medicaid Development and Administration  
30 East Broad Street, 13th floor  
614-387-0580

To Business Associate:

[Business Associate Name]  
[Business Associate Address]  
[Business Associate Phone]

17. **Independent Contractor.** Business Associate agrees that no agency, employment, joint venture, or partnership has been or will be created between the parties hereto pursuant to the terms and conditions of this Agreement. Business Associate also agrees that, as an independent contractor, it assumes all responsibility for any federal, state, municipal, or other tax liabilities along with workers compensation, unemployment compensation, and insurance premiums which may accrue as a result of compensation received for services or deliverables rendered hereunder. Business Associate agrees that it is an independent contractor for all purposes including, but not limited to, the application of the Fair Labor Standards Act, the Social Security Act, the Federal Unemployment Tax Act, the Federal Insurance Contribution Act, provisions of the Internal Revenue Code, Ohio Tax law, Workers Compensation law, and Unemployment Insurance law. Business Associate certifies that all approvals, licenses, or other qualifications necessary to conduct business in Ohio have been obtained and are operative. If at any time during the contractual period Business Associate becomes disqualified from conducting business in Ohio, for whatever reason, Business Associate must immediately notify ODM of the disqualification and will immediately cease performance of its obligations hereunder.

18. **Counterpart.** This Agreement may be executed in one, or more than one counterpart, and each executed counterpart shall be considered an original, provided that such counterpart is delivered to the other party by facsimile, mail courier or electronic mail, all of which together shall constitute one and the same agreement.

IN WITNESS WHEREOF, the parties hereto agree to the foregoing,

[Business Associate Name Here]                                   For Ohio Dep. Of Developmental Disabilities

Representative                                                   Representative

Title                                                           Title

Date: __________________                                            Date: __________________
Supplement Three
State IT Computing Policy Requirements

State Architecture and Computing Standards Requirements

State Security and Privacy Requirements

State Data Handling Requirements

<table>
<thead>
<tr>
<th>Version Identifier</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.0</td>
<td>8/29/2016</td>
</tr>
<tr>
<td>3.0</td>
<td>9/27/2016</td>
</tr>
<tr>
<td>4.0</td>
<td>1/10/2017</td>
</tr>
<tr>
<td>5.0</td>
<td>1/31/2017</td>
</tr>
</tbody>
</table>
5.10. Federal Tax Information ................................................................................................................................. 86
5.10.1. Performance .................................................................................................................................................. 86
5.10.2. Criminal/Civil Sanctions .......................................................................................................................... 87
   6.1. General .......................................................................................................................................................... 88
   6.2. Actual or Attempted Access or Disclosure .............................................................................................. 88
   6.3. Unapproved Disclosures and Intrusions: Contractor Responsibilities ....................................................... 88
   6.4. Security Breach Reporting and Indemnification Requirements ............................................................... 89
7. Security Review Services ....................................................................................................................................... 89
   7.1. Hardware and Software Assets ...................................................................................................................... 89
   7.2. Security Standards by Device and Access Type ........................................................................................ 90
   7.3. Boundary Defenses ..................................................................................................................................... 90
   7.4. Audit Log Reviews ..................................................................................................................................... 90
   7.5. Application Software Security .................................................................................................................... 90
   7.6. System Administrator Access .................................................................................................................... 90
   7.7. Account Access Privileges .......................................................................................................................... 90
   7.8. Additional Controls and Responsibilities ..................................................................................................... 91
1. **Overview and Scope**

This Supplement shall apply to any and all Work, Services, Locations and Computing Elements that the Contractor will perform, provide, occupy or utilize in conjunction with the delivery of work to the State and any access to State resources in conjunction with delivery of work.

This scope shall specifically apply to:

- Major and Minor Projects, Upgrades, Updates, Fixes, Patches and other Software and Systems inclusive of all State elements or elements under the Contractor’s responsibility utilized by the State;
- Any systems development, integration, operations and maintenance activities performed by the Contractor;
- Any authorized Change Orders, Change Requests, Statements of Work, extensions or Amendments to this contract;
- Contractor locations, equipment and personnel that access State systems, networks or data directly or indirectly; and
- Any Contractor personnel, or sub-Contracted personnel that have access to State confidential, personal, financial, infrastructure details or sensitive data.

The terms in this Supplement are additive to the Standard State Terms and Conditions contained elsewhere in this contract. In the event of a conflict for whatever reason, the highest standard contained in this contract shall prevail.

2. **State IT Policy Requirements**

The Contractor will comply with State of Ohio IT policies and standards. For the purposes of convenience, a compendium of IT policy and standard links is provided in the table below.

<table>
<thead>
<tr>
<th>Item</th>
<th>Link</th>
</tr>
</thead>
<tbody>
<tr>
<td>DAS Policies</td>
<td>100-11 Protecting Privacy</td>
</tr>
<tr>
<td></td>
<td>700-00 – Technology / Computer Usage Series</td>
</tr>
<tr>
<td></td>
<td>2000-00 – IT Operations and Management Series</td>
</tr>
</tbody>
</table>

3. **State Architecture and Computing Standards Requirements**

3.1. **Requirements Overview**

Offerors responding to State issued RFQ/RFP requests, and as Contractors performing the work following an award, are required to propose solutions that comply with the standards outlined in this document. In the event Offeror finds it necessary to deviate from any of the standards, a variance may be requested, and the Offeror must show sufficient business justification for the variance request. The Enterprise IT Architecture Team will engage with the Contractor and appropriate State stakeholders to review and approve/deny the variance request.

3.1.1. **State of Ohio Standards**

The State has a published Core Technology Stack as well as Enterprise Design Standards as outlined in this document and, due to State preferences, each are subject to improvements, elaboration and replacement. The State also provides numerous IT Services in both the Infrastructure and Application categories, as outlined in the State’s IT Services Catalog at:

3.1.2. Offeror Responsibilities

Offerors can propose on-premise or cloud-based solutions. When proposing on-premise solutions, Offerors and Contractors must comply with State requirements including using the State’s Virtualized Compute Platform. Offerors proposing on-premise solutions are required to install third party applications on State-provided compute platforms. Dedicated server platforms are not compliant with the State’s Virtualization Requirements.

In addition, Offerors are required to take advantage of all published IT Application Services where possible, (i.e., Enterprise Service Bus, Content Management, Enterprise Document Management, Data Warehousing, Data Analytics and Reporting and Business Intelligence). When dedicated Application components (i.e., Application Servers, Databases, etc.) are required, they should comply with the Core Technology standards.

3.2. Compute Requirements: Client Computing

Offerors must not propose solutions that require custom PC’s, Laptops, Notebooks etc. The State will source its own Client computing hardware and the Offeror’s proposed solutions are required to be compatible with the State’s hardware.

3.2.1. Compute Requirements: Server / OS

Offerors must propose solutions that comply with the State’s supported Server / OS versions.

The following are the State’s Required Server and OS versions.

<table>
<thead>
<tr>
<th>Operating System</th>
<th>Version</th>
<th>Edition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Microsoft Windows Server</td>
<td>2012, 2012 R2</td>
<td>Standard, Enterprise, &amp; Datacenter</td>
</tr>
<tr>
<td>RedHat Linux</td>
<td>7</td>
<td>Enterprise</td>
</tr>
<tr>
<td>IBM AIX</td>
<td>7.1</td>
<td>Enterprise</td>
</tr>
<tr>
<td>Oracle Enterprise Linux</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

When Offerors are proposing on-premise solutions, these solutions must comply with the State’s supported Server Compute Platforms.

The State hosts and manages the Virtual Server hardware and Virtualization layer. The State is also responsible for managing the server’s Operating System (OS). This service includes 1 virtual CPU (vCPU), 1 GB of RAM and 50 GB of Capacity Disk Storage. Customers can request up to 8 vCPUs and 24GB of RAM.

For Ohio Benefits and the Ohio Administrative Knowledge System (OAKS) – Exalogic Version 2.0.6.0.2

3.2.2. Ohio Cloud: Hypervisor Environment

When Offerors are proposing on-premise solutions, these solutions must comply with the State’s supported VMware vSphere, and IBM Power Hypervisor environment.

For Ohio Benefits and OAKS – Oracle Virtual Manager Version 3.3.1, Xen

3.3. Storage and Backup Requirements

3.3.1. Storage Pools

The State provides three pools (tiers) of storage with the ability to use and allocate the appropriate storage type based on predetermined business criticality and requirements. Storage pools are designed to support different I/O workloads.

When Offerors are proposing on-premise solutions, these solutions must take advantage of the State’s Storage Service Offerings.

For Ohio Benefits and OAKS - HA (High Availability) storage used with Mirror configuration.
The pools and their standard use cases are below:
Table 2 – State Supported Storage Pools

<table>
<thead>
<tr>
<th>Storage Pool</th>
<th>Availability</th>
<th>Performance</th>
<th>Typical Applications</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance</td>
<td>Highest</td>
<td>Fast</td>
<td>Performance pool suited for high availability applications, with high I/O (databases).</td>
</tr>
<tr>
<td>General</td>
<td>High</td>
<td>Fast</td>
<td>General pool suitable for file servers, etc.</td>
</tr>
<tr>
<td>Capacity</td>
<td>High</td>
<td>Average</td>
<td>Capacity pool suitable for file servers, images and backup / archive). Not suited for high random I/O.</td>
</tr>
</tbody>
</table>

3.3.2. Backup

When Offerors are proposing on-premise solutions, these solutions must take advantage of the State’s Backup Service Offering.

Backup service uses IBM Tivoli Storage Manager Software and provides for nightly backups of customer data. It also provides for necessary restores due to data loss or corruption. The option of performing additional backups, archiving, restoring or retrieving functions is available for customer data. OIT backup facilities provide a high degree of stability and recoverability as backups are duplicated to the alternate site.

For Ohio Benefits - Symantec NetBackup is the Enterprise backup solution.

3.4. Networking Requirements: Local Area Network (LAN) / Wide Area Network (WAN)

Offerors must propose solutions that work within the State’s LAN / WAN infrastructure.

The State of Ohio’s One Network is a unified solution that brings together Design, Engineering, Operations, Service Delivery, Security, Mobility, Management, and Network Infrastructure to target and solve key Government challenges by focusing on processes, procedures, consistency and accountability across all aspects of State and local government.

Ohio One Network can deliver an enterprise network access experience for their customers regardless of location or device and deliver a consistent, reliable network access method.

The State provides a high bandwidth internal network for internal applications to communicate across the State’s LAN / WAN infrastructure. Normal traffic patterns at major sites should be supported.

Today, the State’s WAN (OARnet) consists of more than 1,850 miles of fiber-optic backbone, with more than 1,500 miles of it operating at ultrafast 100 Gbps speeds. The network blankets the state, providing connectivity to all State Government Agencies.

The State of Ohio Network infrastructure utilizes private addressing, reverse proxy technology and Network Address Translation (NAT). All applications that are to be deployed within the infrastructure must be tolerant of these technologies for both internal product interaction as well as external user access to the proposed system, infrastructure or application.

The State network team will review applications requirements involving excessive bandwidth (i.e. voice, video, telemetry, or applications) deployed at remote sites.

3.5. Application Requirements

3.5.1. Application Platforms

When Offerors are proposing on-premise solutions, these solutions must be developed in open or industry standard languages (e.g. Java, .NET, PHP, etc.)
3.5.2. Open API’s

Proposed vendor applications must be developed with standards-based Open API’s. An open API is an application program interface that provides programmatic access to software applications. Proposed vendor applications must describe in detail all available features and functionality accessible via APIs.

3.5.3. SOA (Service Oriented Architecture)

When Offerors are proposing on-premise solutions, these solutions must be developed using a standards-based Service Oriented Architecture (SOA) model.

3.6. Database Platforms

Proposed vendor application designs must run on databases that comply with the State’s supported Database Platforms.

- IBM DB2 Version 10
- Microsoft SQL Server 2012 or higher
- ORACLE 11G and 12C

3.7. Enterprise Application Services

The State of Ohio Office of Information Technology (OIT) provides a number of Enterprise Shared Services to State agencies as outline in the IT Services Catalog available at: http://das.ohio.gov/Divisions/InformationTechnology/StateofOhioITServiceCatalog.aspx

At a minimum, proposed vendor application designs that include the following Application Services must use the Application IT Services outlined in the IT Services Catalog.

3.7.1. Health and Human Services: Integrated Eligibility

The Integrated Eligibility Enterprise platform provides four key distinct technology domains / capabilities:

- Common Enterprise Portal – includes User Interface and User Experience Management, Access Control, Collaboration, Communications and Document Search capability
- Enterprise Information Exchange – includes Discovery Services (Application and Data Integration, Master Data Management (MDM) Master Person Index and Record Locator Service), Business Process Management, Consent Management, Master Provider Index and Security Management
- Analytics and Business Intelligence – Integration, Analysis and Delivery of analytics in the form of alerts, notifications and reports
- Integrated Eligibility – A common Enterprise Application framework and Rules Engine to determine eligibility and benefits for Ohio Public Benefit Programs

3.7.2. The Ohio Business Gateway (OBG)

The Ohio Business Gateway (OBG) offers Ohio's businesses a time-and money-saving online filing and payment system that helps simplify business’ relationship with Government agencies.

- New Business Establishment – Provides a single, portal based web location for the establishment of new businesses in Ohio, file with the required State agencies and ensure that business compliance requirements of the State are met.
- Single Point Revenue and Fee Collection - Manage payments to State’s payment processor (CBOSS) and broker payment to multiple agencies while creating transaction logs and Business Customer “receipts”.
- Business One-Stop Filing and Forms - Provides guides and forms to Business Users through complex transactions that have multiple steps, forms and / or filing requirements for users on procedures to complete the process including Agencies and (if applicable) systems they will need to interact with.
• Scheduling and Reminders - Notify Business Customers of a particular event that is upcoming or past due (Filing due) using a “calendar” or “task list” metaphor.
• Collections and Confirmations – Provides a Payment Card Industry (PCI) certified web-based payment solution that supports a wide range of payment types: credit cards, debit cards, electronic checks, as well as recurring, and cash payments.

3.7.3. Ohio Administrative Knowledge System (OAKS)

OAKS is the State’s Enterprise Resource Planning (ERP) system, which provides central administrative business services such as Financial Management, Human Capital Management, Content Management via myOhio.gov, Enterprise Learning Management, and Customer Relationship Management. Core System Capabilities include (but are not limited to):

**Content Management (myohio.gov)**
• Centralized Communications to State Employees and State Contractors
• OAKS alerts, job aids, and news
• Statewide Top Stories
• Portal to OAKS applications
• Employee and Contractor Management

**Enterprise Business Intelligence**
• Key Financial and Human Resources Data, Trends and Analysis
• Cognos driven standardized and adhoc reporting

**Financial Management (FIN)**
• Accounts Payable
• Accounts Receivable
• Asset Management
• Billing
• eBid
• eCatalog (Ohio Marketplace)
• eInvoicing
• eSupplier/Offeror Maintenance
• Financial Reporting
• General Ledger
• Planning and Budgeting
• Procurement
• Travel & Expense

**Customer Relationship Management (CRM)**
• Contact / Call Center Management

**Enterprise Learning Management (ELM)**
• Training Curriculum Development
• Training Content Delivery

**Human Capital Management (HCM)**
• Benefits Administration
• Payroll
• Position Management
• Time and Labor
• Workforce Administration: Employee and Contingent Workers
• Employee Self-Service
3.7.4. Enterprise Business Intelligence

- Health and Human Services Information
  - Eligibility
    - Operational Metrics
    - County Caseworker Workload
  - Claims
  - Long Term Care
- Financial Information
  - General Ledger (Spend, Disbursement, Actual/Forecast)
  - Travel and Expense
  - Procure to Pay (AP/PO/Offeror/Spend)
  - Capital Improvements
  - Accounts Receivable
  - Asset Management
- Workforce and Human Resources
  - Workforce Profile
  - Compensation
  - MBE/EDGE

3.7.5. SharePoint

Microsoft SharePoint Server 2013 portal setup and hosting services for agencies interested in internal collaboration, external collaboration, organizational portals, business process workflow, and business intelligence. The service is designed to provision, operate and maintain the State’s enterprise Active Directory Accounts.

3.7.6. IT Service Management

ServiceNow, a cloud-based IT Service Management Tool that provides internal and external support through an automated service desk workflow based application which provides flexibility and ease of use. The IT Service Management Tool provides workflows aligning with ITIL processes such as Incident Management, Request Fulfillment, Problem Management, Change Management and Service Catalog.

3.7.7. Enterprise Geocoding Services

Enterprise Geocoding Services (EGS) combine address standardization, geocoding, and spatial analysis into a single service. Individual addresses can be processed in real time for online applications or large numbers of addresses can be processed in batch mode.

3.7.8. GIS Hosting

GIS Hosting delivers dynamic maps, spatial content, and spatial analysis via the Internet. User agencies can integrate enterprise-level Geographic Information Systems (GIS) with map capabilities and spatial content into new or existing websites and applications.

3.8. Productivity, Administrative and Communication Requirements

3.8.1. Communication Services
The State of Ohio Office of Information Technology (OIT) provides a number of Enterprise Shared Services to State agencies as outlined in the IT Services Catalog available at:
http://das.ohio.gov/Divisions/InformationTechnology/StateofOhioITServiceCatalog.aspx

At a minimum, proposed vendor application designs that include the following Communication Services must use the Communication Services outlined in the IT Services Catalog.

**Exchange**
- Exchange Mail
- Office 365
- Skype for Business Instant Messaging & Presence
- Enterprise Vault
- Clearwell eDiscovery
- Exchange Web Services
- Bulk Mailing
- External Mail Encryption
- Outbound Mail Encryption
- Mobile devices

**EDI/Application Integration/Medicaid EDI**
Lyris Listserv
On-premise application based FAX
eFAX
- Fax2Mail is a “hosted” fax solution that allows agencies to seamlessly integrate inbound and outbound Fax with their existing desktop E-mail and back-office environments. Fax2Mail is a “cloud-based” solution.

**Voice over Internet Protocol (VoIP)**
Audio Conference
Video Conference
Call Centers

4. **General State Security and Information Privacy Standards and Requirements**

The selected Contractor will accept the security and privacy requirements outlined in this supplement in their entirety as they apply to the services being provided to the State. The Contractor will be responsible for maintaining information security in environments under the Contractor’s management and in accordance with State IT Security Policies. The Contractor will implement an information security policy and security capability as set forth in this Contract. The Contractor shall provide the State with contact information for a single point of contact for security incidents.

The Contractor’s responsibilities with respect to Security Services will include the following:
- Provide vulnerability management services for the Contractor’s internal secure network connection, including supporting remediation for identified vulnerabilities as agreed. As a minimum, the Contractor shall provide vulnerability scan results to the State monthly.
- Support the implementation and compliance monitoring for State IT Security Policies.
- Develop, maintain, update, and implement security procedures, with State review and approval, including physical access strategies and standards, ID approval procedures and a breach of security action plan.
- Manage and administer access to the systems, networks, System software, systems files and State Data, excluding end-users.
- Provide support in implementation of programs to educate State and Contractor end-users and staff on security policies and compliance.
- Install and update Systems software security, assign and reset passwords per established procedures, provide the State access to create User ID’s, suspend and delete inactive logon IDs, research system security problems, maintain network access authority, assist in processing State security requests, perform security reviews to confirm that adequate security procedures are in place on an ongoing basis, and provide
incident investigation support (jointly with the State), and provide environment and server security support and technical advice.

- Develop, implement, and maintain a set of automated and manual processes to ensure that data access rules are not compromised.
- Perform physical security functions (e.g., identification badge controls, alarm responses) at the facilities under the Contractor’s control.
- Prepare an Information Security Controls Document. This document is the security document that is used to capture the security policies and technical controls that the Contractor will implement, as requested by the State, on Contractor managed systems, supported servers and the LAN within the scope of this contract. The Contractor will submit a draft Information Security Controls document for State review and approval during the transition period.

The State will:

- Develop, maintain and update the State IT Security Policies, including applicable State information risk policies, standards and procedures.
- Provide the contractor with contact information for security and program personnel for incident reporting purposes.
- Provide a State Single Point of Contact with responsibility for account security audits.
- Support intrusion detection and prevention and vulnerability scanning pursuant to State IT Security Policies.
- Conduct a Security and Data Protection Audit, if deemed necessary, as part of the testing process.
- Provide the State security audit findings material for the Services based upon the security policies, standards and practices in effect as of the Effective Date and any subsequent updates.
- Assist the Contractor in performing a baseline inventory of access IDs for the systems for which the Contractor has security responsibility.
- Authorize User IDs and passwords for the State personnel for the Systems software, software tools and network infrastructure systems and devices under Contractor management.

4.1. State Provided Elements: Contractor Responsibility Considerations

The State is responsible for Network Layer (meaning the internet Protocol suite and the open systems interconnection model of computer networking protocols and methods to process communications across the IP network) system services and functions that build upon State infrastructure environment elements, the Contractor shall not be responsible for the implementation of Security Services of these systems as these shall be retained by the State.

To the extent that Contractor’s accesses or utilizes State-provided networks, the Contractor is responsible for adhering to State policies and use procedures and doing so in a manner that does not diminish established State capabilities and standards.

The Contractor will be responsible for maintaining the security of information in environment elements that it accesses, utilizes, develops or manages in accordance with the State Security Policy. The Contractor will implement information security policies and capabilities, upon review and contract by the State, based on the Contractor's standard service center security processes that satisfy the State’s requirements contained herein.

The Contractor’s responsibilities with respect to Security Services must also include the following:

- Support intrusion detection & prevention, including prompt agency notification of such events, reporting, monitoring and assessing security events. Notification is to be provided to the State for suspected as well as verified security events. For suspected events, the Contractor shall provide regular updates to the State on the status of efforts to verify the event as an actual security event.
- Provide vulnerability management services including supporting remediation for identified vulnerabilities as agreed.
Support State IT Security Policy which includes the development, maintenance, updates, and implementation of security procedures with the agency’s review and approval, including physical access strategies and standards, ID approval procedures and a breach of security action plan.

Support OIT in the implementation, maintenance and updating of statewide data security policies, including the State information risk policies, standards and procedures.

Managing and administering access to the systems, networks, Operating Software or System Software, [including programs, device drivers, microcode and related code supporting documentation and media] that: 1) perform tasks basic to the functioning of data processing and network connectivity; and 2) are required to operate Applications Software), systems files and the State Data.

Supporting the State in implementation of programs to raise the awareness of End Users and staff personnel to security risks and to the existence and importance of security policy compliance.

Installing and updating State provided or approved system security Software, assigning and resetting passwords per established procedures, providing the agency access to create user ID's, suspend and delete inactive logon IDs, research system security problems, maintain network access authority, assisting in processing the agency requested security requests, performing security audits to confirm that adequate security procedures are in place on an ongoing basis, with the agency’s assistance providing incident investigation support, and providing environment and server security support and technical advice.

Developing, implementing, and maintaining a set of automated and manual processes so that the State Data access rules, as they are made known by the State, are not compromised.

Performing physical security functions (e.g., identification badge controls, alarm responses) at the facilities under Contractor control.

### 4.2. Periodic Security and Privacy Audits

The State shall be responsible for conducting periodic security and privacy audits, and generally utilizes members of the OIT Chief Information Security Officer and Privacy teams, the OBM Office of Internal Audit and the Auditor of State, depending on the focus area of an audit. Should an audit issue or finding be discovered, the following resolution path shall apply:

- If a security or privacy issue exists in any of the IT resources furnished to the Contractor by the State (e.g., code, systems, computer hardware and software), the State will have responsibility to address or resolve the issue. Dependent on the nature of the issue, the State may elect to contract with the Contractor under mutually agreeable terms for those specific resolution services at that time or elect to address the issue independent of the Contractor. The Contractor is responsible for resolving any security or privacy issues that exist in any of the IT resources they provide to the State.

- For in-scope environments and services, all new systems implemented or deployed by the Contractor shall comply with State security and privacy policies.

#### 4.2.1. State Penetration and Controls Testing

The state may, at its sole discretion, elect to perform a Security and Data Protection Audit, at any time, that includes a thorough review of contractor controls; security/privacy functions and procedures; data storage and encryption methods; backup/restoration processes; as well as security penetration testing and validation. The state may utilize a third party contractor to perform such activities as to demonstrate that all security, privacy and encryption requirements are met.

State Acceptance Testing will not proceed until the contractor cures all findings, gaps, errors or omissions pertaining to the audit to the state’s written satisfaction. Such testing will be scheduled with the contractor at a mutually convenient time during the development and finalization of the project plan, as required by the state.

### 4.3. Annual Security Plan: State and Contractor Obligations
The Contractor will develop, implement and thereafter maintain annually a Security Plan, that is in alignment with the National Institute of Standards and Technology (“NIST”) Special Publication (SP) 800-53 (current, published version), for review, comment and approval by the State Information Security and Privacy Officers. As a minimum, the Security Plan must include and implement processes for the following items related to the system and services:

- Security policies
- Logical security controls (privacy, user access and authentication, user permissions, etc.)
- Technical security controls and security architecture (communications, hardware, data, physical access, software, operating system, encryption, etc.)
- Security processes (security assessments, risk assessments, incident response, etc.)
- Detail the technical specifics to satisfy the following:
  - Network segmentation
  - Perimeter security
  - Application security and data sensitivity classification
  - PHI and PII data elements
  - Intrusion management
  - Monitoring and reporting
  - Host hardening
  - Remote access
  - Encryption
  - State-wide active directory services for authentication
  - Interface security
  - Security test procedures
  - Managing network security devices
  - Security patch management
  - Detailed diagrams depicting all security-related devices and subsystems and their relationships with other systems for which they provide controls
  - Secure communications over the Internet

The Security Plan must detail how security will be controlled during the implementation of the System and Services and contain the following:

- High-level description of the program and projects
- Security risks and concerns
- Security roles and responsibilities
- Program and project security policies and guidelines
- Security-specific project deliverables and processes
- Security team review and approval process
- Security-Identity management and Access Control for Contractor and State joiners, movers, and leavers
- Data Protection Plan for personal/sensitive data within the projects
- Business continuity and disaster recovery plan for the projects
- Infrastructure architecture and security processes
- Application security and industry best practices for the projects
- Vulnerability and threat management plan (cyber security)

4.4. **State Network Access (VPN)**

Any remote access to State systems and networks, Contractor or otherwise, must employ secure data transmission protocols, including the secure sockets layer (SSL) protocol and public key authentication, signing and encryption. In addition, any remote access solution must use Secure Multipurpose Internet Mail Extensions (S/MIME) to provide encryption and non-repudiation services through digital certificates and the provided PKI. Multi-factor authentication is to be employed for users with privileged network access by leveraging the State of Ohio RSA or Duo Security solutions.
4.5. Security and Data Protection.

All Services must also operate at the [moderate level baseline] as defined in NIST (SP) 800-53 (current, published version) [moderate baseline requirements], be consistent with Federal Information Security Management Act ("FISMA") requirements, and offer a customizable and extendable capability based on open-standards APIs that enable integration with third party applications. Services must provide the State’s systems administrators with 24x7 visibility into the services through a real-time, web-based “dashboard” capability that enables them to monitor, in real or near real time, the Services’ performance against the established SLAs and promised operational parameters.

4.6. State Information Technology Policies

The Contractor is responsible for maintaining the security of information in environment elements under direct management of the Contractor and in accordance with State Security policies and standards. The Contractor will implement information security policies and capabilities as set forth in Statements of Work and, upon review and contract by the State, based on the Offeror’s standard service center security processes that satisfy the State’s requirements contained herein. The Offeror’s responsibilities with respect to security services include the following:

- Support intrusion detection & prevention including prompt agency notification of such events, reporting, monitoring and assessing security events.
- Support State IT Security Policy which includes the development, maintenance, updates, and implementation of security procedures with the agency’s review and approval, including physical access strategies and standards, ID approval procedures and a breach of security action plan.
- Managing and administering access to the Operating Software, systems files and the State Data.
- Installing and updating State provided or approved system security Software, assigning and resetting administrative passwords per established procedures, providing the agency access to create administrative user ID’s, suspending and deleting inactive logon IDs, researching system security problems, maintaining network access authority, assist processing of the agency requested security requests, performing security audits to confirm that adequate security procedures are in place on an ongoing basis, providing incident investigation support with the agency’s assistance, and providing environment and server security support and technical advice.
- Developing, implementing, and maintaining a set of automated and manual processes so that the State Data access rules are not compromised.
- Where the Contractor identifies a potential issue in maintaining an “as provided” State infrastructure element with the more stringent requirement of an agency security policy (which may be federally mandated or otherwise required by law), identifying to agencies the nature of the issue, and if possible, potential remedies for consideration by the State agency.
- The State shall be responsible for conducting periodic security and privacy audits and generally utilizes members of the OIT Chief Information Security Officer and Privacy teams, the OBM Office of Internal Audit and the Auditor of State, depending on the focus area of an audit. Should an audit issue be discovered the following resolution path shall apply:
  - If a security or privacy issue is determined to be pre-existing to this Contract, the State will have responsibility to address or resolve the issue. Dependent on the nature of the issue the State may elect to contract with the Contractor under mutually agreeable terms for those specific resolution services at that time or elect to address the issue independent of the Contractor.
  - If over the course of delivering services to the State under this Statement of Work for in-scope environments the Contractor becomes aware of an issue, or a potential issue that was not detected by security and privacy teams the Contractor is to notify the State within two (2) hours. This notification shall not minimize the more stringent Service Level Contracts pertaining to security scans and breaches contained herein, which due to the nature of an active breach shall take precedence over this notification. Dependent on the nature of the issue the State may elect
to contract with the Contractor under mutually agreeable terms for those specific resolution services at that time or elect to address the issue independent of the Contractor.

- For in-scope environments and services, all new systems implemented or deployed by the Contractor shall comply with State security and privacy policies.

The Contractor will comply with State of Ohio IT policies and standards. For the purposes of convenience, a compendium of IT policy and standard links is provided in Section 2, State IT Policy Requirements.

5. **State and Federal Data Privacy Requirements**

Because the privacy of individuals’ personally identifiable information (PII) and State Sensitive Information, generally information that is not subject to disclosures under Ohio Public Records law, (SSI) is a key element to maintaining the public’s trust in working with the State, all systems and services shall be designed and shall function according to the following fair information practices principles. To the extent that personally identifiable information in the system is “protected health information” under the HIPAA Privacy Rule, these principles shall be implemented in alignment with the HIPAA Privacy Rule. To the extent that there is PII in the system that is not “protected health information” under HIPAA, these principles shall still be implemented and, when applicable, aligned to other law or regulation.

The Contractor specifically agrees to comply with state and federal confidentiality and information disclosure laws, rules and regulations applicable to work associated with this RFP including but not limited to:

- United States Code 42 USC 1320d through 1320d-8 (HIPAA);
- Code of Federal Regulations, 42 CFR 431.300, 431.302, 431.305, 431.306, 435.945,45 CFR164.502 (e) and 164.504 (e);
- Ohio Revised Code, ORC 173.20, 173.22, 1347.01 through 1347.99, 2305.24, 2305.251, 3701.243, 3701.028, 4123.27, 5101.26, 5101.27, 5101.572, 5112.21, and 5111.61; and
- Corresponding Ohio Administrative Code Rules and Updates.
- Systems and Services must support and comply with the State’s security operational support model, which is aligned to NIST SP 800-53 (current, published version).
- IRS Publication 1075, Tax Information Security Guidelines for Federal, State and Local Agencies

5.1. **Protection of State Data**

- **Protection of State Data.** “State Data” includes all data and information created by, created for, or related to the activities of the State and any information from, to, or related to all persons that conduct business or personal activities with the State, including, but not limited to, PII and SSI. To protect State Data as described in this Contract, in addition to its other duties regarding State Data, Contractor will: Maintain in confidence any personally identifiable information (“PI”) and State Sensitive Information (“SSI”) it may obtain, maintain, process, or otherwise receive from or through the State in the course of the Contract;
- Use and permit its employees, officers, agents, and independent contractors to use any PII/SSI received from the State solely for those purposes expressly contemplated by the Contract;
- Not sell, rent, lease or disclose, or permit its employees, officers, agents, and independent contractors to sell, rent, lease, or disclose, any such PII/SSI to any third party, except as permitted under this Contract or required by applicable law, regulation, or court order;
- Take all commercially reasonable steps to (a) protect the confidentiality of PII/SSI received from the State and (b) establish and maintain physical, technical and administrative safeguards to prevent unauthorized access by third parties to PII/SSI received by the Contractor from the State;
- Give access to PII/SSI of the State only to those individual employees, officers, agents, and independent contractors who reasonably require access to such information in connection with the performance of Contractor’s obligations under this Contract;
- Upon request by the State, promptly destroy or return to the State in a format designated by the State all PII/SSI received from the State;
Cooperate with any attempt by the State to monitor Contractor’s compliance with the foregoing obligations as reasonably requested by the State from time to time. The State shall be responsible for all costs incurred by Contractor for compliance with this provision of this subsection;

Establish and maintain data security policies and procedures designed to ensure the following:
- Security and confidentiality of PII/SSI;
- Protection against anticipated threats or hazards to the security or integrity of PII/SSI; and
- Protection against the unauthorized access to, disclosure of or use of PII/SSI.

5.1.1. Disclosure

Disclosure to Third Parties. This Contract shall not be deemed to prohibit disclosures in the following cases:
- Required by applicable law, regulation, court order or subpoena; provided that, if the Contractor or any of its representatives are ordered or requested to disclose any information provided by the State, whether PII/SSI or otherwise, pursuant to court or administrative order, subpoena, summons, or other legal process or otherwise believes that disclosure is required by any law, ordinance, rule or regulation, Contractor will promptly notify the State in order that the State may have the opportunity to seek a protective order or take other appropriate action. Contractor will also cooperate in the State’s efforts to obtain a protective order or other reasonable assurance that confidential treatment will be accorded the information provided by the State. If, in the absence of a protective order, Contractor is compelled as a matter of law to disclose the information provided by the State, Contractor may disclose to the party compelling disclosure only the part of such information as is required by law to be disclosed (in which case, prior to such disclosure, Contractor will advise and consult with the State and its counsel as to the scope of such disclosure and the nature of wording of such disclosure) and Contractor will use commercially reasonable efforts to obtain confidential treatment for the information;
- To State auditors or regulators;
- To service providers and agents of either party as permitted by law, provided that such service providers and agents are subject to binding confidentiality obligations; or
- To the professional advisors of either party, provided that such advisors are obligated to maintain the confidentiality of the information they receive.

5.2. Handling the State’s Data

The Contractor must use due diligence to ensure computer and telecommunications systems and services involved in storing, using, or transmitting State Data are secure and to protect State Data from unauthorized disclosure, modification, use or destruction. To accomplish this, the Contractor must adhere to the following principles:
- Apply appropriate risk management techniques to balance the need for security measures against the sensitivity of the State Data.
- Ensure that its internal security policies, plans, and procedures address the basic security elements of confidentiality, integrity, and availability of State Data.
- Maintain plans and policies that include methods to protect against security and integrity threats and vulnerabilities, as well as detect and respond to those threats and vulnerabilities.
- Maintain appropriate identification and authentication processes for information systems and services associated with State Data.
- Maintain appropriate access control and authorization policies, plans, and procedures to protect system assets and other information resources associated with State Data.
- Implement and manage security audit logging on information systems, including computers and network devices.

5.3. Contractor Access to State Networks Systems and Data
The Contractor must maintain a robust boundary security capacity that incorporates generally recognized system hardening techniques. This includes determining which ports and services are required to support access to systems that hold State Data, limiting access to only these points, and disable all others.

To do this, the Contractor must:

- Use assets and techniques such as properly configured firewalls, a demilitarized zone for handling public traffic, host-to-host management, Internet protocol specification for source and destination, strong authentication, encryption, packet filtering, activity logging, and implementation of system security fixes and patches as they become available.
- Use two-factor authentication to limit access to systems that contain particularly sensitive State Data, such as personally identifiable information.
- Assume all State Data is both confidential and critical for State operations. The Contractor's security policies, plans, and procedure for the handling, storage, backup, access, and, if appropriate, destruction of State Data must be commensurate to this level of sensitivity unless the State instructs the Contractor otherwise in writing.
- Employ appropriate intrusion and attack prevention and detection capabilities. Those capabilities must track unauthorized access and attempts to access State Data, as well as attacks on the Contractor's infrastructure associated with the State Data. Further, the Contractor must monitor and appropriately address information from its system tools used to prevent and detect unauthorized access to and attacks on the infrastructure associated with the State Data.
- Use appropriate measures to ensure that State Data is secure before transferring control of any systems or media on which State Data is stored. The method of securing the State Data must be appropriate to the situation and may include secure overwriting, destruction, or encryption of the State Data before transfer of control. The transfer of any such system or media must be reasonably necessary for the performance of the Contractor's obligations under this Contract.
- Have a business continuity plan in place that the Contractor tests and updates at least annually. The plan must address procedures for response to emergencies and other business interruptions. Part of the plan must address backing up and storing data at a location sufficiently remote from the facilities at which the Contractor maintains State Data in case of loss of State Data at the primary site. The Contractor's backup solution must include plans to recover from an intentional deletion attempt by a remote attacker with compromised administrator credentials (e.g., keeping periodic copies offline, or in write-only format). The plan also must address the rapid restoration, relocation, or replacement of resources associated with the State Data in the case of a disaster or other business interruption. The Contractor’s business continuity plan must address short- and long-term restoration, relocation, or replacement of resources that will ensure the smooth continuation of operations related to the State’s Data. Such resources may include, among others, communications, supplies, transportation, space, power and environmental controls, documentation, people, data, software, and hardware. The Contractor also must provide for reviewing, testing, and adjusting the plan on an annual basis.
- Not allow the State Data to be loaded onto portable computing devices or portable storage components or media unless necessary to perform its obligations under this Contract. If necessary for such performance, the Contractor may permit State Data to be loaded onto portable computing devices or portable storage components or media only if adequate security measures are in place to ensure the integrity and security of the State Data. Those measures must include a policy on physical security for such devices to minimize the risks of theft and unauthorized access that includes a prohibition against viewing sensitive or confidential data in public or common areas. In addition, all state data on portable media shall be encrypted.
- Ensure that portable computing devices have anti-virus software, personal firewalls, and system password protection. In addition, the State Data must be encrypted when stored on any portable computing or storage device or media or when transmitted from them across any data network.
- Maintain an accurate inventory of all such devices and the individuals to whom they are assigned.

5.4. **Portable Devices, Data Transfer and Media**
Any encryption requirement identified in this Supplement means encryption that complies with National Institute of Standards Federal Information Processing Standard 140-2 as demonstrated by a valid FIPS certificate number. Any sensitive State Data transmitted over a network, or taken off site via removable media must be encrypted pursuant to the State’s Data encryption standard ITS-SEC-01 Data Encryption and Cryptography.

The Contractor must have reporting requirements for lost or stolen portable computing devices authorized for use with State Data and must report any loss or theft of such devices to the State in writing as quickly as reasonably possible. The Contractor also must maintain an incident response capability for all security breaches involving State Data whether involving mobile devices or media or not. The Contractor must detail this capability in a written policy that defines procedures for how the Contractor will detect, evaluate, and respond to adverse events that may indicate a breach or attempt to attack or access State Data or the infrastructure associated with State Data.

To the extent the State requires the Contractor to adhere to specific processes or procedures in addition to those set forth above in order for the Contractor to comply with the managed services principles enumerated herein, those processes or procedures are set forth in this contract.

5.5. Limited Use; Survival of Obligations.

Contractor may use PII/SSI only as expressly authorized by the Contract and for no other purpose. Contractor’s limited right to use PII/SSI expires upon conclusion, non-renewal or termination of this Agreement for any reason. Contractor’s obligations of confidentiality and non-disclosure survive termination or expiration for any reason of this Agreement.

5.6. Disposal of PII/SSI.

Upon expiration of Contractor’s limited right to use PII/SSI, Contractor must return all physical embodiments to the State or, with the State’s permission; Contractor may destroy PII/SSI. Upon the State’s request, Contractor shall provide written certification to the State that Contractor has returned, or destroyed, all such PII/SSI in Contractor’s possession.

5.7. Remedies

If Contractor or any of its representatives or agents breaches the covenants set forth in these provisions, irreparable injury may result to the State or third parties entrusting PII/SSI to the State. Therefore, the State’s remedies at law may be inadequate and the State shall be entitled to seek an injunction to restrain any continuing breach. Notwithstanding any limitation on Contractor’s liability, the State shall further be entitled to any other rights or remedies that it may have in law or in equity.

5.8. Prohibition on Off-Shore and Unapproved Access

The Contractor shall comply in all respects with U.S. statutes, regulations, and administrative requirements regarding its relationships with non-U.S. governmental and quasi-governmental entities including, but not limited to the export control regulations of the International Traffic in Arms Regulations (“ITAR”) and the Export Administration Act (“EAA”); the anti-boycott and embargo regulations and guidelines issued under the EAA, and the regulations of the U.S. Department of the Treasury, Office of Foreign Assets Control, HIPAA Privacy Rules and other conventions as described and required in this Supplement.

The Contractor will provide resources for the work described herein with natural persons who are lawful permanent residents as defined in 8 U.S.C. 1101 (a)(20) or who are protected individuals as defined by 8 U.S.C. 1324b(a)(3). It also means any corporation, business association, partnership, society, trust, or any other entity, organization or group that is incorporated to do business in the U.S. It also includes any governmental (federal, state, local), entity.

The State specifically prohibits sending, taking or making available remotely (directly or indirectly) any State information including State Data, software, code, intellectual property, designs and specifications,
system logs, system data, personal or identifying information and related materials out of the United States in any manner, except by mere travel outside of the U.S. by a person whose personal knowledge includes technical data; or transferring registration, control, or ownership to a foreign person, whether in the U.S. or abroad, or disclosing (including oral or visual disclosure) or transferring in the United States any State article to an embassy, any agency or subdivision of a foreign government (e.g., diplomatic missions); or disclosing (including oral or visual disclosure) or transferring data to a foreign person, whether in the U.S. or abroad.

The Contractor shall not use State data for any engagements outside of the scope of the contracted agreement. Using State of Ohio data to test or provide proof-of-concept for other engagements is expressly prohibited.

It is the responsibility of all individuals working at the State to understand and comply with the policy set forth in this document as it pertains to end-use export controls regarding State restricted information.

Where the Contractor is handling confidential employee or citizen data associated with Human Resources data, the Contractor will comply with data handling privacy requirements associated with HIPAA and as further defined by The United States Department of Health and Human Services Privacy Requirements and outlined in http://www.hhs.gov/ocr/privacysummary.pdf

It is the responsibility of all Contractor individuals working at the State to understand and comply with the policy set forth in this document as it pertains to end-use export controls regarding State restricted information.

Where the Contractor is handling confidential or sensitive State, employee, citizen or Ohio Business data associated with State Data, the Contractor will comply with data handling privacy requirements associated with the data HIPAA and as further defined by The United States Department of Health and Human Services Privacy Requirements and outlined in http://www.hhs.gov/ocr/privacysummary.pdf.

5.9. Background Check of Contractor Personnel

Contractor agrees that (1) it will conduct 3rd party criminal background checks on Contractor personnel who will perform Sensitive Services (as defined below), and (2) no Ineligible Personnel will perform Sensitive Services under this Contract. “Ineligible Personnel” means any person who (a) has been convicted at any time of any criminal offense involving dishonesty, a breach of trust, or money laundering, or who has entered into a pre-trial diversion or similar program in connection with a prosecution for such offense, (b) is named by the Office of Foreign Asset Control (OFAC) as a Specially Designated National, or (c) has been convicted of a felony.

“Sensitive Services” means those services that (i) require access to Customer/Consumer Information, (ii) relate to the State’s computer networks, information systems, databases or secure facilities under circumstances that would permit modifications to such systems, or (iii) involve unsupervised access to secure facilities (“Sensitive Services”).

Upon request, Contractor will provide written evidence that all of Contractor’s personnel providing Sensitive Services have undergone a criminal background check and are eligible to provide Sensitive Services. In the event that Contractor does not comply with the terms of this section, the State may, in its sole and absolute discretion, terminate this Contract immediately without further liability.

5.10. Federal Tax Information

Contract Language for General Services

5.10.1. Performance

In performance of this Contract, the Contractor agrees to comply with and assume responsibility for compliance by its employees with the following requirements:

▪ All work will be done under the supervision of the Contractor or the Contractor's employees.
▪ Any return or return information made available in any format shall be used only for the purposes of performing this Contract. Information contained in such material will be treated as confidential and will not
be divulged or made known in any manner to any person except as may be necessary in the performance of this Contract. Disclosure to anyone other than an officer or employee of the Contractor will be prohibited.

- All returns and return information will be accounted for upon receipt and properly stored before, during, and after processing. In addition, all related output will be given the same level of protection as required for the source material.
- The Contractor certifies that the data processed during the performance of this Contract will be completely purged from all data storage components of its computer facility, and no output will be retained by the Contractor after the work is completed. If immediate purging of all data storage components is not possible, the Contractor certifies that any IRS data remaining in any storage component will be safeguarded to prevent unauthorized disclosures.
- Any spoilage or any intermediate hard copy printout that may result during the processing of IRS data will be given to the agency or its designee. When this is not possible, the Contractor will be responsible for the destruction of the spoilage or any intermediate hard copy printouts, and will provide the agency or its designee with a statement containing the date of destruction, description of material destroyed, and the method used.
- All computer systems receiving, processing, storing, or transmitting Federal Tax Information must meet the requirements defined in IRS Publication 1075. To meet functional and assurance requirements, the security features of the environment must provide for the managerial, operations, and technical controls. All security features must be available and activated to protect against unauthorized use of and access to Federal Tax Information.
- No work involving Federal Tax Information furnished under this Contract will be subcontracted without prior written approval of the IRS.
- The Contractor will maintain a list of employees authorized access. Such list will be provided to the agency and, upon request, to the IRS reviewing office.
- The agency will have the right to void the Contract if the Contractor fails to provide the safeguards described above.

5.10.2. Criminal/Civil Sanctions

1. Each officer or employee of any person to whom returns or return information is or may be disclosed will be notified in writing by such person that returns or return information disclosed to such officer or employee can be used only for a purpose and to the extent authorized herein, and that further disclosure of any such returns or return information for a purpose or to an extent unauthorized herein constitutes a felony punishable upon conviction by a fine of as much as $5,000 or imprisonment for as long as 5 years, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized further disclosure of returns or return information may also result in an award of civil damages against the officer or employee in an amount not less than $1,000 with respect to each instance of unauthorized disclosure. These penalties are prescribed by IRCs 7213 and 7431 and set forth at 26 CFR 301.6103(n)-1.

2. Each officer or employee of any person to whom returns or return information is or may be disclosed shall be notified in writing by such person that any return or return information made available in any format shall be used only for the purpose of carrying out the provisions of this Contract. Information contained in such material shall be treated as confidential and shall not be divulged or made known in any manner to any person except as may be necessary in the performance of the Contract. Inspection by or disclosure to anyone without an official need-to-know constitutes a criminal misdemeanor punishable upon conviction by a fine of as much as $1,000 or imprisonment for as long as 1 year, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized inspection or disclosure of returns or return information may also result in an award of civil damages against the officer or employee in an amount equal to the sum of the greater of $1,000 for each act of unauthorized inspection or disclosure with respect to which such defendant is found liable or the sum of the actual damages sustained by the plaintiff as a result of such unauthorized inspection or disclosure plus in the case of a willful inspection or disclosure which is the result of gross negligence, punitive damages, plus the costs of the action. These penalties are prescribed by IRC 7213A and 7431.
3. Additionally, it is incumbent upon the Contractor to inform its officers and employees of the penalties for improper disclosure imposed by the Privacy Act of 1974, 5 U.S.C. 552a. Specifically, 5 U.S.C. 552a(i)(1), which is made applicable to contractors by 5 U.S.C. 552a(m)(1), provides that any officer or employee of a contractor, who by virtue of his/her employment or official position, has possession of or access to agency records which contain individually identifiable information, the disclosure of which is prohibited by the Privacy Act or regulations established thereunder, and who knowing that disclosure of the specific material is prohibited, willfully discloses the material in any manner to any person or agency not entitled to receive it, shall be guilty of a misdemeanor and fined not more than $5,000.

The IRS and the Agency shall have the right to send its officers and employees into the offices and plants of the Contractor for inspection of the facilities and operations provided for the performance of any work under this Contract. On the basis of such inspection, specific measures may be required in cases where the contractor is found to be noncompliant with Contract safeguards.

6. Contractor Responsibilities Related to Reporting of Concerns, Issues and Security/Privacy Issues

6.1. General

If, over the course of the Contract a security or privacy issue arises, whether detected by the State, a State auditor or the Contractor, that was not existing within an in-scope environment or service prior to the commencement of any contracted service associated with this Contract, the Contractor must:

- notify the State of the issue or acknowledge receipt of the issue within two (2) hours;
- within forty-eight (48) hours from the initial detection or communication of the issue from the State, present an potential exposure or issue assessment document to the State Account Representative and the State Chief Information Security Officer with a high level assessment as to resolution actions and a plan;
- within four (4) calendar days, and upon direction from the State, implement to the extent commercially reasonable measures to minimize the State’s exposure to security or privacy until such time as the issue is resolved; and
- upon approval from the State implement a permanent repair to the identified issue at the Contractor’s cost.

6.2. Actual or Attempted Access or Disclosure

If the Contractor determines that there is any actual, attempted or suspected theft of, accidental disclosure of, loss of, or inability to account for any PII/SSI by Contractor or any of its subcontractors (collectively “Disclosure”) and/or any unauthorized intrusions into Contractor’s or any of its subcontractor’s facilities or secure systems (collectively “Intrusion”), Contractor must immediately:

- Notify the State within two (2) hours of the Contractor becoming aware of the unauthorized Disclosure or Intrusion;
- Investigate and determine if an Intrusion and/or Disclosure has occurred;
- Fully cooperate with the State in estimating the effect of the Disclosure or Intrusion’s effect on the State and fully cooperate to mitigate the consequences of the Disclosure or Intrusion;
- Specify corrective action to be taken; and
- Take corrective action to prevent further Disclosure and/or Intrusion.

6.3. Unapproved Disclosures and Intrusions: Contractor Responsibilities

- The Contractor must, as soon as is reasonably practicable, make a report to the State including details of the Disclosure and/or Intrusion and the corrective action Contractor has taken to prevent further Disclosure and/or Intrusion. Contractor must, in the case of a Disclosure cooperate fully with the State to notify the effected persons as to the fact of and the circumstances of the Disclosure of the PII/SSI. Additionally,
Contractor must cooperate fully with all government regulatory agencies and/or law enforcement agencies having jurisdiction to investigate a Disclosure and/or any known or suspected criminal activity.

- Where the Contractor identifies a potential issue in maintaining an “as provided” State infrastructure element with the more stringent of an Agency level security policy (which may be Federally mandated or otherwise required by law), identifying to Agencies the nature of the issue, and if possible, potential remedies for consideration by the State agency.

- If over the course of delivering services to the State under this Statement of Work for in-scope environments the Contractor becomes aware of an issue, or a potential issue that was not detected by security and privacy teams the Contractor is to notify the State within two (2) hour. This notification shall not minimize the more stringent Service Level Contracts pertaining to security scans and breaches contained herein, which due to the nature of an active breach shall take precedence over this notification. Dependent on the nature of the issue the State may elect to contract with the Contractor under mutually agreeable terms for those specific resolution services at that time or elect to address the issue independent of the Contractor.

6.4. Security Breach Reporting and Indemnification Requirements

- In case of an actual security breach that may have compromised State Data, the Contractor must notify the State in writing of the breach within two (2) hours of the Contractor becoming aware of the breach. In the case of a suspected breach, the Contractor must notify the State in writing of the suspected breach within twenty-four (24) hours of the Contractor becoming aware of the suspected breach.

- The Contractor must fully cooperate with the State to mitigate the consequences of such a breach/suspected breach. This includes any use or disclosure of the State Data that is inconsistent with the terms of this Contract and of which the Contractor becomes aware, including but not limited to, any discovery of a use or disclosure that is not consistent with this Contract by an employee, agent, or subcontractor of the Contractor.

- The Contractor must give the State full access to the details of the breach/suspected breach and assist the State in making any notifications to potentially affected people and organizations that the State deems are necessary or appropriate. The Contractor must document all such incidents/suspected incidents, including its response to them, and make that documentation available to the State on request.

- In addition to any other liability under this Contract related to the Contractor’s improper disclosure of State Data, and regardless of any limitation on liability of any kind in this Contract, the Contractor will be responsible for acquiring one year’s identity theft protection service on behalf of any individual or entity whose personally identifiable information is compromised while it is in the Contractor’s possession. Such identity theft protection must provide coverage from all three major credit reporting agencies and provide immediate notice through phone or email of attempts to access the individuals’ credit history through those services.

7. Security Review Services

As part of a regular Security Review process, the Contractor will include the following reporting and services to the State:

7.1. Hardware and Software Assets

The Contractor will support the State in defining and producing specific reports for both hardware and software assets. At a minimum this should include:

- Deviations to hardware baseline
- Inventory of information types by hardware device
- Software inventory against licenses (State purchased)
- Software versions and then scans of versions against patches distributed and applied
7.2. **Security Standards by Device and Access Type**

The Contractor will:

- Document security standards by device type and execute regular scans against these standards to produce exception reports
- Document and implement a process for deviation from State standards

7.3. **Boundary Defenses**

The Contractor will:

- Work with the State to support the denial of communications to/from known malicious IP addresses*
- Ensure that the System network architecture separates internal systems from DMZ and extranet systems
- Require remote login access to use two-factor authentication
- Support the State’s monitoring and management of devices remotely logging into internal network
- Support the State in the configuration firewall session tracking mechanisms for addresses that access System

7.4. **Audit Log Reviews**

The Contractor will:

- Work with the State to review and validate audit log settings for hardware and software
- Ensure that all systems and environments have adequate space to store logs
- Work with the State to devise and implement profiles of common events from given systems to both reduce false positives and rapidly identify active access
- Provide requirements to the State to configure operating systems to log access control events
- Design and execute bi-weekly reports to identify anomalies in system logs
- Ensure logs are written to write-only devices for all servers or a dedicated server managed by another group.

7.5. **Application Software Security**

The Contractor will:

- Perform configuration review of operating system, application and database settings
- Ensure software development personnel receive training in writing secure code

7.6. **System Administrator Access**

The Contractor will:

- Inventory all administrative passwords (application, database and operating system level)
- Implement policies to change default passwords in accordance with State policies, particular following any transfer or termination of personnel (State, existing MSV or Contractor)
- Configure administrative accounts to require regular password changes
- Ensure service level accounts have cryptographically strong passwords
- Store passwords in a hashed or encrypted format
- Ensure administrative accounts are used only for administrative activities
- Implement focused auditing of administrative privileged functions
- Configure systems to log entry and alert when administrative accounts are modified
- Segregate administrator accounts based on defined roles

7.7. **Account Access Privileges**
The Contractor will:

- Review and disable accounts not associated with a business process
- Create daily report that includes locked out accounts, disabled accounts, etc.
- Implement process for revoking system access
- Automatically log off users after a standard period of inactivity
- Monitor account usage to determine dormant accounts
- Monitor access attempts to deactivated accounts through audit logging
- Profile typical account usage and implement or maintain profiles to ensure that Security profiles are implemented correctly and consistently

7.8. Additional Controls and Responsibilities

The Contractor will meet with the State no less frequently than annually to:

- Review, Update and Conduct Security training for personnel, based on roles
- Review the adequacy of physical and environmental controls
- Verify the encryption of sensitive data in transit
- Review access control to information based on established roles and access profiles
- Update and review system administration documentation
- Update and review system maintenance policies
- Update and Review system and integrity policies
- Revised and Implement updates to the System security program plan
- Update and Implement Risk Assessment Policies and procedures
- Update and implement incident response procedures