

**STATE OF NORTH CAROLINA  
REQUEST FOR PROPOSALS  
RFP # 68-GAEB1012**

**TITLE:** Employee Background Checks

**USING AGENCY:** The University System of North Carolina

**ISSUE DATE:** October 15, 2012

**DUE DATE:** **10:00 a.m., Thursday, January 3, 2013**

**ISSUING AGENCY:** University of North Carolina General Administration  
910 Raleigh Road  
Chapel Hill, NC 27515

Sealed Proposals subject to the conditions made a part hereof will be received until **10:00 a.m., January 3, 2013** for furnishing services described herein.

SEND ALL PROPOSALS DIRECTLY TO THE ISSUING AGENCY ADDRESS AS SHOWN BELOW:

<b>DELIVERED BY US POSTAL SERVICE</b>	<b>DELIVERED BY ANY OTHER MEANS</b>
RFP NO. 68-GAEB1012 UNC General Administration c/o Lisa Fleischman – Purchasing Officer 910 Raleigh Rd. Chapel Hill, NC 27515	RFP NO. 68-GAEB1012 UNC General Administration c/o Lisa Fleischman – Purchasing Officer 910 Raleigh Rd. Chapel Hill, NC 27515

**Deadline for questions shall be 5:00 p.m. on Friday, November 16, 2012.**

IMPORTANT NOTE: Indicate firm name (“Technical Proposal” or “Cost Proposal”) and RFP number on the front of each sealed proposal envelope or package, along with the date for receipt of proposals specified above.

**Bids submitted via telegraph, facsimile (FAX) machine, telephone, and electronic means, including but not limited to e-mail, in response to this Request for Proposals will not be acceptable.**

**Direct all inquiries concerning this RFP to:** Lisa Fleischman  
[lmfleischman@northcarolina.edu](mailto:lmfleischman@northcarolina.edu)  
**EMAILS ONLY, PLEASE.**

Vendor questions from this period will be posted as an addendum no later than, **Friday, November 30, 2012 at 5:00 p.m.** and prospective bidders can download the addendum at the same website as the original bid document.

**It is the offeror's responsibility to assure that all addenda have been reviewed and, if need be, signed and returned.**

**Prohibited Communications:** FROM THE ISSUANCE DATE OF THIS RFP THROUGH THE DATE THE CONTRACT IS AWARDED, EACH OFFEROR (INCLUDING ITS SUBCONTRACTORS AND/OR SUPPLIERS) IS PROHIBITED FROM HAVING ANY COMMUNICATIONS WITH ANY PERSON INSIDE OR OUTSIDE THE USING AGENCY, ISSUING AGENCY, OTHER GOVERNMENT AGENCY OFFICE, OR BODY (INCLUDING THE PURCHASER NAMED ABOVE, DEPARTMENT SECRETARY, AGENCY HEAD, MEMBERS OF THE GENERAL ASSEMBLY AND/OR GOVERNOR'S OFFICE), OR PRIVATE ENTITY, AND THE COMMUNICATION DISCUSSES THE CONTENT OF OFFEROR'S PROPOSAL OR QUALIFICATIONS, THE CONTENTS OF ANOTHER OFFEROR'S PROPOSAL, ANOTHER OFFEROR'S QUALIFICATIONS OR ABILITY TO PERFORM THE CONTRACT, AND/OR

THE TRANSMITTAL OF ANY OTHER COMMUNICATION OF INFORMATION THAT HAS THE EFFECT OF DIRECTLY OR INDIRECTLY INFLUENCING THE EVALUATION OF PROPOSALS AND/OR THE AWARD OF THE CONTRACT. OFFERORS NOT IN COMPLIANCE WITH THIS PROVISION SHALL BE DISQUALIFIED FROM CONTRACT AWARD, UNLESS IT IS DETERMINED THAT THE BEST INTEREST OF THE STATE WOULD NOT BE SERVED BY THE DISQUALIFICATION. AN OFFEROR'S PROPOSAL MAY BE DISQUALIFIED IF ITS SUBCONTRACTOR AND SUPPLIER ENGAGE IN ANY OF THE FOREGOING COMMUNICATIONS DURING THE TIME THAT THE PROCUREMENT IS ACTIVE (I.E., THE ISSUANCE DATE OF THE PROCUREMENT TO THE DATE OF CONTRACT AWARD). ONLY THE DISCUSSIONS, COMMUNICATIONS OR TRANSMITTALS OF INFORMATION AUTHORIZED BY THE ISSUING AGENCY IN THIS RFP OR GENERAL INQUIRIES TO THE PURCHASER REGARDING THE STATUS OF THE CONTRACT AWARD ARE EXEMPT FROM THIS PROVISION.

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## INTRODUCTION

The purpose of this Request for Proposals is to select up to three “background check” vendors for participating constituent institutions of the University of North Carolina System. This will be a convenience contract open to all constituent institutions of UNC. Our interest is in hiring the best employees and avoiding the employment of individuals who present a risk in the workplace. All materials submitted to UNC General Administration for the purpose of this RFP will fall under North Carolina public records laws.

## BACKGROUND

The University System of North Carolina is a public university system comprising sixteen university campuses and two high schools. Our constituent institutions offer high school, undergraduate and graduate educational programs, operate extensive research facilities, and provide programs, materials and resources to the general public, particularly the citizens of the State of North Carolina.

Because of the nature and variety of programs and services offered, each institution employs individuals in a variety of capacities and from a number of backgrounds. Thus, the employee complement on each campus is diverse and comes to North Carolina from a number of national and international locales.

To ensure the hiring of best qualified persons and to avoid liability for employing individuals who might present risks to the University, the UNC institutions covered by this request seek a third party vendor to perform a variety of pre-employment reviews, including but not limited to criminal background checks. (In certain specific cases an institution may request a background check of a present employee.) The specific standards for the reviews and checks are listed below.

## STANDARDS AND METHODS FOR DOING THE BACKGROUND CHECKS

### (Scope of Services)

- (1) The contractor will provide a reliable, trustworthy and comprehensive criminal record check system. The system will be capable of checking state and federal courts in all fifty states. Additionally, the contractor must have the capacity to perform international checks for certain employees.
- (2) The checks will cover misdemeanors and felonies or crimes of similar gravity with varying names or designations. The checks will cover convictions and charges as appropriate.
- (3) The checks will be done by the home residence(s) of the employee and will cover a minimum of seven (7) years or the time since the employee became eighteen (18) years of age, whichever is shorter.
- (4) Prior to a background check, an employee will complete a consent form which meets all legal requirements, to be provided by the contractor and approved by the institution requesting the checks.
- (5) When a check is requested, the employee will provide the following information to the contractor and to the institution: full name and all previous names; Social Security Number; date of birth; Race; Sex; residence history including all addresses and all counties and states where the employee has lived during the prior 7 years; and all current drivers' license numbers with state of issuance.
- (6) A request for a background check will be entered by the institution via a secure electronic connection to the contractor and will include the information listed in (5) above. The contractor will submit the results directly to the designated university official.
- (7) The contractor will provide an explanation for all jargon or acronyms used in the checks to each institution requesting checks.

- (8) A standard background check will include state and federal criminal background checks, address verification, social security checks, and sex offender or sexual predator registry checks. Upon request by an institution the contractor will also provide the following checks: credit check, credentials verification (professional and educational), driving record, Office of Inspector General.
- (9) The contractor must have the capacity to receive requests electronically and must transmit the results of checks electronically, with preference given to contractors who can deliver these results through PeopleAdmin or PeopleSoft. Candidates should have the ability to electronically see the results of their background checks, when requested. Contractors should detail their practice/policies for handling these requests.
- (10) The contractor must receive and return the request for a check within a three work-day period, provided that for multi-state checks and for international checks, the time for response may be extended for a reasonable time. In situations where a particular background check will need a reasonable extension, the contractor is still expected to communicate any delay in writing, and provide a response time estimate.
- (11) The contractor will abide by all applicable state and federal laws, regulations and rules including but not limited to the Fair Credit Reporting Act.
- (12) The contractor must agree to use its best and utmost efforts to secure correct and complete background checks and to be responsible for negligent or intentional errors on its part. The contractor must agree to indemnify and hold harmless and defend The University System of North Carolina against all claims of whatever kind arising out of its negligence in regard to the contract and to provide evidence of insurance, naming as additional insured The University System of North Carolina.
- (13) The contractor must agree to maintain all requests and results confidentially and securely, and to abide by all relevant federal and state laws governing the privacy of this information. The contractor also must agree to provide copies of all requests and results for the life of this contract and for a five-year period following the termination of this agreement.
- (14) Based on FY 2011-2012 results, the University system anticipates over 16,000 checks (this number could be lower due to economic downturn and hiring freezes) will be requested on an annual basis, of which 2/3 will be within North Carolina only. Volume is estimated; it is not guaranteed.
- (15) After the contract is awarded, on an ongoing basis, the contractor(s) will provide training, guidance re: applicable laws, compliance with the Fair Credit Reporting Act, and sample communications for campus and GA administrators. ***These services shall be built into the pricing for basic background checks (see cost sheet).***
- (16) After the contract is in place, a contract administrator, located in the UNC General Administration, will facilitate the activities anticipated by this proposal and will be available to answer questions or to address concerns.
- (17) The contract period will be one year from date of award. At the option of UNC, it can be extended for up to two additional one-year periods under the same terms, conditions, and pricing. The initial contract period is one year, with the right of the University to cancel it upon breach within thirty days' written notice. The contract administrator shall have the option to renew the agreement of two additional one-year terms under the same terms, conditions and pricing.
- (18) The Contractor shall provide monthly reports to the individual constituent institutions for that institution's background check requests, including total number of background checks and average

turnaround times. Preference will be given to any contractor that can provide this and additional information via an interactive dashboard.

## **PROPOSAL REQUIREMENTS**

The response to this RFP shall consist of the following sections:

Corporate Background and Experience  
Financial Statement  
Project Staffing and Organization  
Technical Approach  
Cost Proposal

### **(1) Corporate Background and Experience**

This section will contain background information on the organization and shall give details of experience with similar projects, especially with regards to government, public sector, or higher education projects. A list of three references (including contact persons, email addresses, and telephone numbers) for which similar work has been performed must be included. University experience is highly desirable.

### **(2) Financial Statement**

The offeror's most recent audited financial statement or similar evidence of financial stability must be provided.

### **(3) Project Staffing and Organization**

This section must include the proposed staffing, deployment and organization of personnel to be assigned to this project. Please provide information on current volume of requests handled, current call center resource (and whether they are employees or outsourced personnel), and current staffing levels.

The offeror shall provide information as to the qualifications and experience of all executive, managerial, legal, and professional personnel to be assigned to this project, including resumes citing experience with similar projects and the responsibilities to be assigned to each person.

### **(4) Technical Approach**

This section must include, in narrative, outline, and/or graph form, the offeror's approach to accomplishing the tasks outlined in the Scope of Work section of this RFP, and the sources or services they would use to accomplish it. All statements must be complete, accurate, and in the form specified. Omissions, inaccuracies, or exceptions may be cause for rejection of the proposal.

Each offeror must describe clearly and completely the protocol it will use for making the checks, the security of the communication systems it will employ, and the steps it will follow to maintain the confidentiality of the data submitted to it and the results it transmits back.

This information shall include:

- Methodology for conducting background checks.
- Expected turnaround time for national and international checks.

- A description of the electronic system employed by the offeror, and safeguards employed to protect the data.
- Description of internal audit process.

**(5) Cost Proposal**

Contractors *MUST* comply with this cost proposal matter. A worksheet is provided on Page 9 of the RFP. Standard background checks will include state and federal criminal background checks, address verification, social security checks, and sex offender registry checks. Optional search requests are itemized separately.

- Price per check for up to five addresses for up to seven years.

Standard Checks	\$ _____
International	\$ _____
Office of Inspector General	\$ _____
Credential Verification	\$ _____
Driving Check	\$ _____
Credit Check	\$ _____

- Price per check (up to two names for one price) for up to five addresses for up to seven years

Standard Checks	\$ _____
International	\$ _____
Office of Inspector General	\$ _____
Credential Verification	\$ _____
Driving Check	\$ _____
Credit Check	\$ _____

- Price per check (up to two names for one price) for over five addresses and/or for over seven years

Standard Checks	\$ _____
International	\$ _____
Office of Inspector General	\$ _____
Credential Verification	\$ _____
Driving Check	\$ _____
Credit Check	\$ _____

- Price per additional check (three names or more per name) for up to five addresses.

Standard Checks	\$ _____
International	\$ _____
Office of Inspector General	\$ _____
Credential Verification	\$ _____
Driving Check	\$ _____
Credit Check	\$ _____

**(6) Scoring / Evaluation Criteria**

For scoring criteria, please see the attached chart.

### Proposals for Employee Background Checks Weighted Criteria

Vendor: \_\_\_\_\_

Total  
Score: \_\_\_\_\_

Service Area/Requirement	Maximum Score	Actual Score
Knowledge of the criminal background check industry <ul style="list-style-type: none"> <li>a. Ability to meet all conditions stated in RFP</li> <li>b. Demonstrated relevant and successful experience</li> <li>c. Breadth of background checking ability for county, state, federal, and international checks</li> <li>d. Organizational stability</li> </ul> Evaluation comments:	40	
Use of secure, encrypted computerized systems (All answers must be Yes to receive points for ease of processing.) <ul style="list-style-type: none"> <li>a. Secure, computerized background checking system – Yes or No</li> <li>b. Secure computerized interface with institution – Yes or No</li> <li>c. Secure computerized assessable site for those being checked – Yes or No</li> <li>d. Ease of Processing – Yes or No</li> </ul> Evaluation comments:	20	
Ability to conduct optional background checks, such as: <ul style="list-style-type: none"> <li>a. Credit check</li> <li>b. Credentials verification</li> <li>c. Driving record</li> <li>d. International</li> <li>e. Office of Inspector General</li> <li>f. Other</li> </ul> Evaluation comments:	15	
References <ul style="list-style-type: none"> <li>a. Industry references showing positive relevant experience across all variables in RFP</li> <li>b. University and/or state agency references showing positive ratings</li> <li>c. Industry Reputation and past performance</li> </ul> Evaluation comments:	10	
Professional Organization Membership (i.e., NAPBS):	5	
Lowest 5 bidders which meet the required specifications:	10	
Evaluation summary and conclusion:		Total Score

## THE PROCUREMENT PROCESS

The following is a general description of the process by which a firm will be selected to provide services.

1. Request for Proposals (RFP) is posted on the NC IPS website.
2. A deadline for written questions is set. (EMAIL ONLY. See cover sheet of this RFP for details.)
3. Proposals in one original, two copies *and 5 CD-R copies* will be received from each offeror in a sealed envelope or package. Each original shall be signed and dated by an official authorized to bind the firm. Unsigned proposals will not be considered.
4. All proposals must be received by the issuing agency not later than the date and time specified on the cover sheet of this RFP.
5. At that date and time the package containing the proposals from each responding firm will be opened publicly and the name of the offeror and cost(s) offered will be announced. Interested parties are cautioned that these costs and their components are subject to further evaluation for completeness and correctness and therefore may not be an exact indicator of an offeror's pricing position.
6. At their option, the evaluators may request oral presentations or discussion with any or all offerors for the purpose of clarification or to amplify the materials presented in any part of the proposal. However, offerors are cautioned that the evaluators are not required to request clarification; therefore, all proposals shall be complete and reflect the most favorable terms available from the offeror.
7. Proposals will be evaluated according to completeness, content, and experience with similar projects, ability of the offeror and its staff, and cost. Criteria and their weights are found in the chart on page 6. Award of a contract to one offeror does not mean that the other proposals lacked merit, but that, all factors considered, the selected proposal was deemed most advantageous to the State.

In addition to any other evaluation criteria identified in the State agency's solicitation document, the agency shall, for purposes of evaluating proposed or actual contract performance outside of the United States, consider the following factors to ensure that any award will be in the best interest of the State:

- Total cost to the State
- Level of quality provided by the vendor
- Process capability across multiple jurisdictions
- Protection of the State's information and intellectual property
- Availability of pertinent skills
- Ability to understand the State's business requirements and internal operational culture
- Risk factors such as the security of the State's information technology
- Relations with citizens and employees
- Contract enforcement jurisdictional issues

8. Offerors are cautioned that this is a request for offers, not a request to contract, and the State reserves the unqualified right to reject any and all offers when such rejection is deemed to be in the best interest of the State.



**COST/EXECUTION PAGES MUST BE SIGNED AND INCLUDED IN YOUR PROPOSAL**

**Unsigned proposals will not be considered**

The cost proposal shall be submitted in a separately sealed envelope within the larger sealed envelope containing the specifics of the written proposal. The cost proposal must have all costs built into the per check costs.

**NOTE: THIS PAGE AND THE FOLLOWING PAGE SHALL BE IN A SEALED ENVELOPE MARKED "COST PROPOSAL"**

- Price per check for up to five addresses for up to seven years.

Standard Checks	\$ _____
International	\$ _____
Office of Inspector General	\$ _____
Credential Verification	\$ _____
Driving Check	\$ _____
Credit Check	\$ _____

- Price per check (up to two names for one price) for up to five addresses for up to seven years.

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- Price per additional check (three names or more per name) for up to five addresses.

Standard Checks	\$ _____
International	\$ _____
Office of Inspector General	\$ _____
Credential Verification	\$ _____
Driving Check	\$ _____
Credit Check	\$ _____

**TOTAL NOT TO EXCEED COST FOR 20,000 BACKGROUND CHECKS PER YEAR: \$ \_\_\_\_\_**

**EXECUTION OF PROPOSAL / RFP #68-GAEB1012**

By submitting this proposal the potential contractor certifies the following:

- This proposal is signed by an authorized representative of the firm.
- It can obtain insurance certificates as required within 10 calendar days after notice of award.

- The cost and availability of all equipment, materials, and supplies associated with performing the services described herein have been determined and included in the proposed cost.
- All labor costs, direct and indirect, have been determined and included in the proposed cost.
- The offeror has attended the proposal conference, if applicable, and is aware of prevailing conditions associated with performing these services.
- The offeror can and will provide the specified performance bond or alternate performance guarantee.
- The potential contractor has read and understands the conditions set forth in this RFP and agrees to them with no exceptions.
- The offeror is registered in NC E-Procurement @ Your Service or agrees to register within two days after notification of contract award.

Therefore, in compliance with this Request for Proposals, and subject to all conditions herein, the undersigned offers and agrees, if this proposal is accepted around 90 days from the date of the opening, to furnish the subject services for a cost as detailed in its proposal. (Cost page must be attached following the format specified in the preceding section.)

OFFEROR: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

CITY, STATE, ZIP: \_\_\_\_\_

TELEPHONE NUMBER: \_\_\_\_\_ FAX: \_\_\_\_\_

E-MAIL: \_\_\_\_\_

Principal Place of Business if different from above (See General Information of Submitting Proposals, Item 18)

\_\_\_\_\_

Will any of the work under this contract be performed outside the United States?

(If yes, describe in technical proposal.)  Yes  No

BY: \_\_\_\_\_ TITLE: \_\_\_\_\_  
(Authorized Signature)

\_\_\_\_\_  
(Typed or printed name) DATE: \_\_\_\_\_



ACCEPTANCE OF PROPOSAL - THE UNIVERSITY OF NORTH CAROLINA

BY: \_\_\_\_\_ TITLE: \_\_\_\_\_  
(Authorized Signature)

\_\_\_\_\_  
(Typed or printed name) DATE: \_\_\_\_\_

Solicitation (IFB, RFP, RFQ) No. \_\_\_\_\_

Bidder/Offeror: \_\_\_\_\_

**THIS PAGE IS TO BE FILLED OUT AND RETURNED WITH YOUR BID. FAILURE TO DO SO MAY SUBJECT YOUR BID TO REJECTION.**

ATTENTION

Federal Employer Identification Number or alternate identification number (e.g., Social Security Number) is used for internal processing, including bid tabulation.

Enter ID number here: \_\_\_\_\_

Pursuant to N.C.G.S. 132-1.10(b) this identification number shall not be released to the public.

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**REFERENCES**

OFFERORS SHALL PROVIDE A MINIMUM OF THREE (3) HIGHER EDUCATION REFERENCES FOR WHOM THEY HAVE PERFORMED SIMILAR WORK DURING THE PAST THREE (3) YEARS.

(1) CLIENT NAME \_\_\_\_\_  
ADDRESS (Street) \_\_\_\_\_  
ADDRESS (City, St, Zip) \_\_\_\_\_  
CONTACT NAME \_\_\_\_\_  
TELEPHONE/E-MAIL \_\_\_\_\_

(2) CLIENT NAME \_\_\_\_\_  
ADDRESS (Street) \_\_\_\_\_  
ADDRESS (City, St, Zip) \_\_\_\_\_  
CONTACT NAME \_\_\_\_\_  
TELEPHONE/E-MAIL \_\_\_\_\_

(3) CLIENT NAME \_\_\_\_\_  
ADDRESS (Street) \_\_\_\_\_  
ADDRESS (City, St, Zip) \_\_\_\_\_  
CONTACT NAME \_\_\_\_\_  
TELEPHONE/E-MAIL \_\_\_\_\_

BY: \_\_\_\_\_ TITLE: \_\_\_\_\_ DATE: \_\_\_\_\_

**THIS PAGE SHALL BE COMPLETED AND SUBMITTED AS A PART OF YOUR PROPOSAL.**

**GENERAL INFORMATION ON SUBMITTING PROPOSALS**

1. **EXCEPTIONS:** All proposals are subject to the terms and conditions outlined herein. All responses shall be controlled by such terms and conditions and the submission of other terms and conditions, price lists, catalogs, and/or other documents as part of an offeror's response will be waived and have no effect either on this Request for Proposals or on any contract that may be awarded resulting from this solicitation. Offeror specifically agrees to the conditions set forth in the above paragraph by signature to the proposal.
2. **CERTIFICATION:** By executing the proposal, the signer certifies that this proposal is submitted competitively and without collusion (G.S. 143-54), that none of our officers, directors, or owners of an unincorporated business entity has been convicted of any violations of Chapter 78A of the General Statutes, the Securities Act of 1933, or the Securities Exchange Act of 1934 (G.S. 143-59.2), and that we are not an ineligible vendor as set forth in G.S. 143-59.1. False certification is a Class I felony.
3. **ORAL EXPLANATIONS:** The State shall not be bound by oral explanations or instructions given at any time during the competitive process or after award.
4. **REFERENCE TO OTHER DATA:** Only information which is received in response to this RFP will be evaluated; reference to information previously submitted shall not be evaluated.
5. **ELABORATE PROPOSALS:** Elaborate proposals in the form of brochures or other presentations beyond that necessary to present a complete and effective proposal are not desired.

In an effort to support the sustainability efforts of the State of North Carolina we solicit your cooperation in this effort.

**It is desirable that all responses meet the following requirements:**

- All copies are printed **double sided**.
  - All submittals and copies are printed on **recycled paper with a minimum post-consumer content of 30%** and indicate this information accordingly on the response.
  - Unless absolutely necessary, all proposals and copies should **minimize or eliminate use of non-recyclable or non re-usable materials** such as plastic report covers, plastic dividers, vinyl sleeves, and GBC binding. Three-ringed binders, glued materials, paper clips, and staples are acceptable.
  - Materials should be submitted in a format which allows for **easy removal and recycling** of paper materials.
6. **COST FOR PROPOSAL PREPARATION:** Any costs incurred by offerors in preparing or submitting offers are the offerors' sole responsibility; the State of North Carolina will not reimburse any offeror for any costs incurred prior to award.
  7. **TIME FOR ACCEPTANCE:** Each proposal shall state that it is a firm offer which may be accepted within a period of 90 days. Although the contract is expected to be awarded prior to that time, the 90 day period is requested to allow for unforeseen delays.
  8. **TITLES:** Titles and headings in this RFP and any subsequent contract are for convenience only and shall have no binding force or effect.
  9. **CONFIDENTIALITY OF PROPOSALS:** In submitting its proposal the offeror agrees not to discuss or otherwise reveal the contents of the proposal to any source outside of the using or issuing agency, government or private, until after the award of the contract. Offerors not in compliance with this provision may be disqualified, at the option of the State, from contract award. Only discussions authorized by the issuing agency are exempt from this provision.
  10. **RIGHT TO SUBMITTED MATERIAL:** All responses, inquiries, or correspondence relating to or in reference to the RFP, and all other reports, charts, displays, schedules, exhibits, and other documentation submitted by the offerors shall become the property of the State when received.
  11. **OFFEROR'S REPRESENTATIVE:** Each offeror shall submit with its proposal the name, address, and telephone number of the person(s) with authority to bind the firm and answer questions or provide clarification concerning the firm's proposal.
  12. **SUBCONTRACTING:** Offerors may propose to subcontract portions of the work provided that their proposals clearly indicate what work they plan to subcontract and to whom and that all information required about the prime contractor is also included for each proposed subcontractor.
  13. **PROPRIETARY INFORMATION:** Trade secrets or similar proprietary data which the offeror does not wish disclosed to other than personnel involved in the evaluation or contract administration will be kept confidential to the extent permitted by NCAC T01:05B.1501 and G.S. 132-1.3 if identified as follows: Each page shall be identified in boldface at the top and bottom as "CONFIDENTIAL". Any section of the proposal which is to remain confidential shall also be so marked in boldface on the title page of that section. Cost information may not be deemed confidential. In spite of what is labeled as confidential, the determination as to whether or not it is shall be determined by North Carolina law.

14. **HISTORICALLY UNDERUTILIZED BUSINESSES:** Pursuant to General Statute 143-48 and Executive Order #150, the State invites and encourages participation in this procurement process by businesses owned by minorities, women, disabled, disabled business enterprises and non-profit work centers for the blind and severely disabled.
15. **PROTEST PROCEDURES:** When an offeror wants to protest a contract awarded by the Secretary of Administration or by an agency over \$25,000 resulting from this solicitation, they must submit a written request to the State Purchasing Officer at Purchase and Contract, 1305 Mail Service Center, Raleigh, NC 27699-1305. This request must be received in the Division of Purchase and Contract within thirty (30) consecutive calendar days from the date of the contract award. When an offeror wants to protest a contract awarded by an agency or university resulting from this solicitation that is over \$10,000 but less than \$25,000 for any agency, or any contract awarded by a university, they must submit a written request to the issuing procurement officer at the address of the issuing agency. This request must be received in that office within thirty (30) consecutive calendar days from the date of the contract award. Protest letters must contain specific reasons and any supporting documentation for the protest. Note: Contract award notices are sent only to those actually awarded contracts, and not to every person or firm responding to this solicitation. Contract status and Award notices are posted on the Internet at <http://www.pandc.nc.gov/>. All protests will be handled pursuant to the North Carolina Administrative Code, Title 1, Department of Administration, Chapter 5, Purchase and Contract, Section 5B.1519. (See Protest Information at <http://www.pandc.nc.gov/protests.pdf> for more information.)
16. **VENDOR REGISTRATION AND SOLICITATION NOTIFICATION SYSTEM:** Vendor Link NC allows vendors to electronically register free with the State to receive electronic notification of current procurement opportunities for goods and services available on the Interactive Purchasing System. Online registration and other purchasing information are available on our Internet web site: <http://www.pandc.nc.gov/>.
17. **RECIPROCAL PREFERENCE:** G.S. 143-59 establishes a reciprocal preference law to discourage other states from applying in-state preferences against North Carolina's resident offerors. The "Principal Place of Business" is defined as the principal place from which the trade or business of the offeror is directed or managed.

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**NORTH CAROLINA GENERAL CONTRACT TERMS AND CONDITIONS  
(Contractual and Consultant Services)**

1. **GOVERNING LAW:** This contract is made under and shall be governed and construed in accordance with the laws of the State of North Carolina.
2. **SITUS:** The place of this contract, its situs and forum, shall be North Carolina, where all matters, whether sounding in contract or tort, relating to its validity, construction, interpretation and enforcement shall be determined
3. **INDEPENDENT CONTRACTOR:** The Contractor shall be considered to be an independent contractor and as such shall be wholly responsible for the work to be performed and for the supervision of its employees. The Contractor represents that it has, or will secure at its own expense, all personnel required in performing the services under this agreement. Such employees shall not be employees of, or have any individual contractual relationship with the Agency.
4. **KEY PERSONNEL:** The Contractor shall not substitute key personnel assigned to the performance of this contract without prior written approval by the Agency's Contract Administrator. The individuals designated as key personnel for purposes of this contract are those specified in the Contractor's proposal.
5. **SUBCONTRACTING:** Work proposed to be performed under this contract by the Contractor or its employees shall not be subcontracted without prior written approval of the Agency's Contract Administrator. Acceptance of an offeror's proposal shall include any subcontractor(s) specified therein.
6. **PERFORMANCE AND DEFAULT:** If, through any cause, the Contractor shall fail to fulfill in timely and proper manner the obligations under this agreement, the Agency shall thereupon have the right to terminate this contract by giving written notice to the Contractor and specifying the effective date thereof. In that event, all finished or unfinished deliverable items under this contract prepared by the Contractor shall, at the option of the Agency, become its property, and the Contractor shall be entitled to receive just and equitable compensation for any satisfactory work completed on such materials. Notwithstanding, the Contractor shall not be relieved of liability to the Agency for damages sustained by the Agency by virtue of any breach of this agreement, and the Agency may withhold any payment due the Contractor for the purpose of setoff until such time as the exact amount of damages due the Agency from such breach can be determined.

In case of default by the Contractor, the State may procure the services from other sources and hold the Contractor responsible for any excess cost occasioned thereby. The State reserves the right to require a performance bond or other acceptable alternative performance guarantees from successful offeror without expense to the State.

In addition, in the event of default by the Contractor under this contract, the State may immediately cease doing business with the Contractor, immediately terminate for cause all existing contracts the State has with the Contractor, and de-bar the Contractor from doing future business with the State

Upon the Contractor filing a petition for bankruptcy or the entering of a judgment of bankruptcy by or against the Contractor, the State may immediately terminate, for cause, this contract and all other existing contracts the Contractor has with the State, and de-bar the Contractor from doing future business

Neither party shall be deemed to be in default of its obligations hereunder if and so long as it is prevented from performing such obligations by any act of war, hostile foreign action, nuclear explosion, riot, strikes, civil insurrection, earthquake, hurricane, tornado, or other catastrophic natural event or act of God.

7. **TERMINATION:** The Agency may terminate this agreement at any time by *30 days* notice in writing from the Agency to the Contractor. In that event, all finished or unfinished deliverable items prepared by the Contractor under this contract shall, at the option of the Agency, become its property. If the contract is terminated by the Agency as provided herein, the Contractor shall be paid for services satisfactorily completed, less payment or compensation previously made.
8. **PAYMENT TERMS:** Payment terms are Net not later than 30 days after receipt of correct invoice(s) or acceptance of services, whichever is later, or in accordance with any special payment schedule identified in this RFP. The using agency is responsible for all payments to the contractor under the contract. Payment by some agencies may be made by procurement card and it shall be accepted by the contractor for payment if the contractor accepts that card (Visa, Mastercard, etc.) from other customers. If payment is made by procurement card, then payment may be processed immediately by the contractor.
9. **AVAILABILITY OF FUNDS:** Any and all payments to the Contractor are dependent upon and subject to the availability of funds to the Agency for the purpose set forth in this agreement.
10. **CONFIDENTIALITY:** Any information, data, instruments, documents, studies or reports given to or prepared or assembled by the Contractor under this agreement shall be kept as confidential and not divulged or made available to any individual or organization without the prior written approval of the Agency.
11. **CARE OF PROPERTY:** The Contractor agrees that it shall be responsible for the proper custody and care of any property furnished it for use in connection with the performance of this contract or purchased by it for this contract and will reimburse the State for loss of damage of such property.

12. **COPYRIGHT:** No deliverable items produced in whole or in part under this agreement shall be the subject of an application for copyright by or on behalf of the Contractor.
13. **ACCESS TO PERSONS AND RECORDS:** The State Auditor shall have access to persons and records as a result of all contracts or grants entered into by State agencies or political subdivisions in accordance with General Statute 147-64.7. The Contractor shall retain all records for a period of three years following completion of the contract.
14. **ASSIGNMENT:** No assignment of the Contractor's obligations nor the Contractor's right to receive payment hereunder shall be permitted. However, upon written request approved by the issuing purchasing authority, the State may:
- Forward the contractor's payment check(s) directly to any person or entity designated by the Contractor, or
  - Include any person or entity designated by Contractor as a joint payee on the Contractor's payment check(s).
- In no event shall such approval and action obligate the State to anyone other than the Contractor and the Contractor shall remain responsible for fulfillment of all contract obligations.
15. **COMPLIANCE WITH LAWS:** The Contractor shall comply with all laws, ordinances, codes, rules, regulations, and licensing requirements that are applicable to the conduct of its business, including those of federal, state, and local agencies having jurisdiction and/or authority.
16. **AFFIRMATIVE ACTION:** The Contractor shall take affirmative action in complying with all Federal and State requirements concerning fair employment and employment of people with disabilities, and concerning the treatment of all employees without regard to discrimination by reason of race, color, religion, sex, national origin, or disability.
17. **INSURANCE:** During the term of the contract, the contractor at its sole cost and expense shall provide commercial insurance of such type and with such terms and limits as may be reasonably associated with the contract. As a minimum, the contractor shall provide and maintain the following coverage and limits:
- Worker's Compensation - The contractor shall provide and maintain Worker's Compensation Insurance, as required by the laws of North Carolina, as well as employer's liability coverage with minimum limits of \$150,000.00, covering all of Contractor's employees who are engaged in any work under the contract. If any work is subcontracted, the contractor shall require the subcontractor to provide the same coverage for any of its employees engaged in any work under the contract.
  - Commercial General Liability - General Liability Coverage on a Comprehensive Broad Form on an occurrence basis in the minimum amount of \$500,000.00 Combined Single Limit. (Defense cost shall be in excess of the limit of liability).
  - Automobile - Automobile Liability Insurance, to include liability coverage, covering all owned, hired and non-owned vehicles, used in connection with the contract. The minimum combined single limit shall be \$150,000.00 bodily injury and property damage; \$150,000.00 uninsured/under insured motorist; and \$1,000.00 medical payment.

Providing and maintaining adequate insurance coverage is a material obligation of the contractor and is of the essence of this contract. All such insurance shall meet all laws of the State of North Carolina. Such insurance coverage shall be obtained from companies that are authorized to provide such coverage and that are authorized by the Commissioner of Insurance to do business in North Carolina. The contractor shall at all times comply with the terms of such insurance policies, and all requirements of the insurer under any such insurance policies, except as they may conflict with existing North Carolina laws or this contract. The limits of coverage under each insurance policy maintained by the contractor shall not be interpreted as limiting the contractor's liability and obligations under the contract.

18. **ADVERTISING:** The offeror shall not use the award of a contract as part of any news release or commercial advertising.
19. **ENTIRE AGREEMENT:** This contract and any documents incorporated specifically by reference represent the entire agreement between the parties and supersede all prior oral or written statements or agreements. This Request for Proposals, any addenda thereto, and the offeror's proposal are incorporated herein by reference as though set forth verbatim.
- All promises, requirements, terms, conditions, provisions, representations, guarantees, and warranties contained herein shall survive the contract expiration or termination date unless specifically provided otherwise herein, or unless superseded by applicable Federal or State statutes of limitation.
20. **AMENDMENTS:** This contract may be amended only by written amendments duly executed by the Agency and the Contractor. The NC Division of Purchase and Contract shall give prior approval to any amendment to a contract awarded through that office.
21. **TAXES:** G.S. 143-59.1 bars the Secretary of Administration from entering into contracts with vendors if the vendor or its affiliates meet one of the conditions of G. S. 105-164.8(b) and refuse to collect use tax on sales of tangible personal property to purchasers in North Carolina. Conditions under G. S. 105-164.8(b) include: (1) Maintenance of a retail establishment or office, (2) Presence of representatives in the State that solicit sales or transact business on behalf of the vendor and (3) Systematic exploitation of the market by media-assisted, media-facilitated, or media-solicited means. By execution of the proposal document the vendor certifies that it and all of its affiliates, (if it has affiliates), collect(s) the appropriate taxes.



22. **YEAR 2000 COMPLIANCE/WARRANTY:** Vendor shall ensure the product(s) and service(s) furnished pursuant to this agreement ("product" shall include, without limitation, any piece of equipment, hardware, firmware, middleware, custom or commercial software, or internal components, subroutines, and interfaces therein) which perform any date and/or time data recognition function, calculation, or sequencing, will support a four digit year format, and will provide accurate date/time data and leap year calculations on and after December 31, 1999, at the same level of functionality for which originally acquired without additional cost to the user. This warranty shall survive termination or expiration of the agreement.
23. **GENERAL INDEMNITY:** The contractor shall hold and save the State, its officers, agents, and employees, harmless from liability of any kind, including all claims and losses accruing or resulting to any other person, firm, or corporation furnishing or supplying work, services, materials, or supplies in connection with the performance of this contract, and from any and all claims and losses accruing or resulting to any person, firm, or corporation that may be injured or damaged by the contractor in the performance of this contract and that are attributable to the negligence or intentionally tortious acts of the contractor provided that the contractor is notified in writing within 30 days that the State has knowledge of such claims. The contractor represents and warrants that it shall make no claim of any kind or nature against the State's agents who are involved in the delivery or processing of contractor goods to the State. The representation and warranty in the preceding sentence shall survive the termination or expiration of this contract.
24. **OUTSOURCING:** Any vendor or subcontractor providing call or contact center services to the State of North Carolina shall disclose to inbound callers the location from which the call or contact center services are being provided.

If, after award of a contract, the contractor wishes to outsource any portion of the work to a location outside the United States, prior written approval must be obtained from the State agency responsible for the contract.

Vendor must give notice to the using agency of any relocation of the vendor, employees of the vendor, subcontractors of the vendor, or other persons performing services under a state contract outside of the United States.

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